

JPRS 80710

30 April 1982

# West Europe Report

No. 1952

**FBIS**

FOREIGN BROADCAST INFORMATION SERVICE

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

30 April 1982

## WEST EUROPE REPORT

No. 1952

## CONTENTS

## THEATER FORCES

## FEDERAL REPUBLIC OF GERMANY

Weak Border Police Face Crack GDR Troops  
(Claus-Einar Langen; FRANKFURTER ALLGEMEINE, 17 Apr 82).... 1

Psychological Impact of Host Country Pact Examined  
(FRANKFURTER RUNDSCHAU, 16 Apr 82)..... 3

## FRANCE

ERRATUM: Budget for Nuclear, Air, Land, Sea Forces for  
1982 Detailed  
(SERVICE D'INFORMATION ET DE RELATIONS PUBLIQUES DES  
ARMÉES, date unknown)..... 4

## ECONOMIC

## CYPRUS

Cypriot Foreign Trade Figures Published  
(CYPRUS WEEKLY, 9-15 Apr 82)..... 18

## FEDERAL REPUBLIC OF GERMANY

Good Prospects Seen for Further Cooperation, Trade With China  
(HANDELSBLATT, 18 Mar 82)..... 19

## FRANCE

USSR, France Sign Aviation Agreement  
(I. Grigor'yev; VOZDUSHNYY TRANSPORT, 11 Mar 82)..... 21

NETHERLANDS

Bank Report on Possible Economic Recovery  
(NRC HANDELSBLAD, 26 Mar 82)..... 22

Top Finance Official on Budgetary Problems  
(Kees Calje; NRC HANDELSBLAD, 24 Mar 82)..... 24

TURKEY

Erdem Letter Pledges Tight Money Policy To Continue  
(Emin Colasan; MILLIYET, 17 Feb 82)..... 31

Details of Turkey-Iran Economic Agreement Reported  
(MILLIYET, 14 Mar 82, GUNAYDIN, 13 Mar 82)..... 34

'MILLIYET' Report  
Further Details, by Oktay Senguler

POLITICAL

INTERNATIONAL AFFAIRS

PCI-Netherlands CP Talks in Rome  
(L'UNITA, 20 Mar 82)..... 40

FEDERAL REPUBLIC OF GERMANY

Text of 10 June Peace Demonstration Appeal  
(FRANKFURTER RUNDSCHAU, 19 Apr 82)..... 41

Paper Sees New Trend in FRG Peace Movement  
(Friedhelm Kemna; DIE WELT, 13 Apr 82)..... 44

GREECE

Papandreu's 'Honeymoon Period' Reportedly Coming to an End  
(George Ventry-Canning; BUSINESS & FINANCE, 27 Mar 82).... 46

Papandreu Statement on Continued EEC Membership Rapped  
(Editorial; I KATHIMERINI, 1 Apr 82)..... 50

ITALY

Theses for 22nd Italian Communist Youth Federation Congress  
(L'UNITA, 18 Mar 82)..... 52

Briefs  
Romanian Communists See PCI Aides 75

NETHERLANDS

Journal Hits Actions of Interchurch Peace Council  
(K. A. Keuning; ONS LEGER, Mar 82)..... 76

PORUGAL

Eanes Attacked, Urged To Forgo Political Ambition  
(Editorial, Jose Miguel Judice; O DIABO, 2 Feb 82)..... 81

Leftist Political Forces Seen as Subverting Armed Forces  
(O DIABO, 2 Feb 82)..... 85

SPAIN

PCE Organ Summarizes Sixth PSUC Congress  
(Manuel Torres; MUNDO OBRERO, 26 Mar-1 Apr 82)..... 88

MILITARY

FEDERAL REPUBLIC OF GERMANY

Korvette FS 1500 Under Construction for Colombian,  
Malaysian Navies  
(Harald Fock; MARINE-RUNDSCHAU, Mar 82)..... 96

Bahr Interviewed on New Arms Export Guidelines  
(Egon Bahr Interview; FRANKFURTER RUNDSCHAU, 22 Mar 82).... 99

THEATER FORCES

FEDERAL REPUBLIC OF GERMANY

WEAK BORDER POLICE FACE CRACK GDR TROOPS

DW200637 Frankfurt FRANKFURTER ALLGEMEINE in German 17 Apr 82 p 5

[Article by Claus-Einar Langen]

[Text] Nuremberg, 16 Apr--In the event of war, the GDR border troops engaged in "protecting the border under combat conditions" are supposed to be able within 70 minutes to successfully repulse "from their company strongpoint surprise actions by the adversary." The final improvements to a company strongpoint should take no longer than 5 hours. This is revealed by a military service directive--"confidential classified document (VVS) G 572 910--which was the basis for operational instruction of the troops in September 1981, for instance in border Regiment 4. The classified document is based on Directive 2/79 of the GDR minister of national defense which sets forth "new stages for the establishment of combat readiness." The West seldom gets to see a document like the classified document G 572 910. It provides information about the mission of the GDR border troops in the opening phase of an armed conflict and, in this connection, about their missions during commando actions, and during limited raids.

The contents of the paper gives rise to the concern that the situation of the people in the area directly bordering on the GDR--on a line between Moelln, southern Wendland, Braunlage, the Rhoen Mountains, Mellrichstadt, Neustadt near Coburg, Tettau and Muenchenreuth near Hof--would be hopeless. The threat by the GDR border troops would be great even in the event of a localized conflict: The GDR has about 140 border companies with a total strength of about 12,000 men stationed along the line of demarcation; in addition there are border scouts, about 8 men in a company now and soon to be 16. In the event of war, the border companies would be reinforced by the border training regiments. Thus the GDR border troops facing the Federal Republic would have about 20,000 men in the event of a "combat alert" or of the "full combat readiness." We also have to include the 49 companies Czechoslovakia has along its border with the Federal Republic.

Facing this force of GDR border troops, which are trained and equipped for infantry duty, are 19 operational detachments of the Federal Border Police (BGS) with an authorized strength of 10,640 men. Considering the present overtasking of the 19 detachments by permanent assignments, training and recurrent missions in the Laneder, however, it is the general opinion of the coast, northern, central and southern commands that not more than about 1,900 men could be put into action.

The presumably nearly unnoticeable transition of the GDR border troops from border control in peace to the securing of the border under combat conditions will hardly leave the people in the directly border-proximate area on the side of the Federal Republic any time for an advance warning. Granted, the units and components of the BGS are supposed to be pulled out of the border area, yet more than 48 hours may pass before parts of the NATO forces are deployed in that area. Until then the mission of the BGS remains unchanged, namely, insuring the elimination of disturbances and fending off the dangers impairing the security of the border in the border area to a depth of 30 km.

In the case of tension and defense the borderline of about 1,700 km from Luebeck Bay to the Bohemian forest constitutes the frontline. Who of the 19 detachment commanders of the BGS would run the risk of exposing the century he has left for operations--and which is not always complete--to the crushing superiority of the GDR border troops? At the moment the rank and file does not even practice the case of crisis. A leading BGS member said that the protection of the people of the border area and their evacuation, as well as the assistance in movements of the people (program for internal security) have remained mere theory in the offices.

A tangible improvement in the BGS operational strength is not in sight. Rumors already make the rounds saying that the Deggendorf operations detachment responsible for the German-Czechoslovak border will be dissolved. The March issue of the BGS Association DIE BUNDESPOLIZEI wrote in part that continuous shortage of personnel, the lack of a job description, austerity measures at the wrong place, reduced employment of service beginners in 1982, unnecessary reorganizations, "considerable voluntary resignations of BGS officials under new law" show "in all clarity the desolate state of the Federal Border Police."

Viewed against this background the confidential matter G 572 910 deserves special attention. The tasks of the GDR border troops in the stage of "complete combat readiness" include the following: Taking, occupying and holding important bridges, crossroads and railroad junctions, strategic hills, bottlenecks and other significant points in the terrian. This was reported by refugees already earlier (FAZ of 4 September 1975); reportedly the Federal Interior Ministry did not pass this information on to the BGS commands. Moreover, under the new service directive the GDR border troops are supposed to conquer, occupy, hold or destroy stationary and mobile radio installations and observation points and other important military objects of the other side. In connection with this the GDR border troops are instructed to reconnoiter such objects, installations and points "comprehensively, repeatedly and, up to the point of conquest," adequately.

On this point the service directive says that all border companies, having "established full combat readiness," must be able, "meaning willing and capable, to solve such a complicated task" on orders. The drill and training for such "specific actions" must be "carried out thoroughly on training grounds."

The equipment of the GDR border troops includes irritant agents. What is taken for granted in the conquest, occupation and holding, but also for the event of the destruction of military objects of the adversary is "action that is surprising, determined and of the nature of a coup de main" as well as the "opening of the attack from closes proximity" to leave the adversary hardly any option for an "organized defense."

## PSYCHOLOGICAL IMPACT OF HOST COUNTRY PACT EXAMINED

DW161135 Frankfurt FRANKFURTER RUNDSCHAU in German 16 Apr 82 p 3

[Commentary signed Mac.: "Raising the Nuclear Threshold"]

[Text] The treaty on the support of the U.S. combat troops to be airlifted to Europe for NATO's reinforcement in the event of crisis or war must be welcomed for several reasons. This "host nation support" agreement will essentially contribute toward the strengthening of the fighting potential of the Alliance because--thanks to the support by reserve units of the Bundeswehr --as many as six additional U.S. divisions can be ready for action shortly after their arrival. More conventional combat potential thus not only spells more deterrence but also a further raising of the "nuclear threshold," the very time at which nuclear weapons would be used in the event of war.

Upon implementation of the agreement around 1987 the Bundeswehr will have more than 92,000 extra reservists holding mobilization notifications who can also be drafted for defense exercises. This means: With a peace time personnel strength of about 500,000 men, to which about 700,000 reservists had to be added who are kept "in training," the "war strength" of the Bundeswehr so far amounted to 1.2 million men. The increase to about 1.3 million indeed constitutes a remarkable conventional reinforcement.

This argument of a security-police nature is joined by a psychological argument: In view of numerous misunderstandings and troubles between the Federal Republic and its most important ally it is important to show quite clearly once how highly the Federal Republic values the U.S. troop presence in Europe, especially on its own territory. The signing of the host nation support agreement will pull the ground from under many a criticism coming from the United States that strong neutralist tendencies exist in the Federal Republic and that Bonn is no longer reliable as an Alliance partner.

The third point pertains to money: By 1987 DM 550 million must be raised from the defense budget. By comparison, these are sums of money for which just about six "Tornado" planes could be bought. In view of the effect which this program will produce the costs seem to be justifiable. It is necessary, however, to insure that the "host nation support" program remains a NATO program, meaning that no troops will be "supported" which, for instance, are en route to the Persian Gulf.

CSO: 3103/415

ERRATUM: The following is a corrected version of an article originally published in JPRS 80574 of 15 April 1982, No 1943 of this series, pp 1-14.

BUDGET FOR NUCLEAR, AIR, LAND, SEA FORCES FOR 1982 DETAILED

Paris SERVICE D'INFORMATION ET DE RELATIONS PUBLIQUES DES ARMEES in French  
(date unknown) not paginated

[Pamphlet by the Armed Forces Information and Public Relations Service:  
"Defense in Figures for 1982"]

[Text] A. Armed Forces in 1982

Nuclear Forces

Budget (19.3 percent)

Operations	4,322 MF [million francs]	Military personnel on active duty	17,176
Equipment	19,349 MF	Drafted military personnel	11,804
Total	23,671 MF	Civilian personnel	11,057
		Total	40,037

Strategic Air Force (FAS)

1. One battery, that is, nine ground-to-ground strategic ballistic missiles (Albion) equipped with S-3 missiles (more specifically, the battery is now being modernized and will receive S-3 missiles in 1982).
2. Two bomber squadrons (34 Mirage IV aircraft).
3. One in-flight refueling squadron (11 C 135 aircraft).

Strategic Ocean Force (FOST)

1. Five nuclear submarines carrying 16 sea-to-ground strategic ballistic missiles equipped with M 20 thermonuclear warheads; one missile-launching nuclear submarine undergoing major careening.

Tactical Nuclear Force (ANT)

1. Air force: a. Two Mirage IIIE squadrons;  
b. Three Jaguar squadrons;  
c. Four penetration assistance squadrons.
2. Ground force: Five Pluton [Pluto] regiments.
3. Sea force: Two aircraft carriers; one Super Etandard aircraft-carrying flotilla.

Research and Development; Production and Testing

These involve nuclear payloads, missiles and their environment. The fall under the jurisdiction of the General Delegation for Armament, the Atomic Energy Commission, and the Nuclear Testing Centers.

Comparison of Strategic Nuclear Potential Capabilities

<u>Weapons system</u>	<u>USA</u>	<u>USSR</u>	<u>FRANCE</u>	<u>BRITAIN</u>	<u>PRC</u>
<b>Land-based missiles:</b>					
Intercontinental	1,052	1,398			4
Intermediate-range		610	9		130
<b>Missile-launching nuclear submarines</b>					
	36	84	5	4	
Ship-borne missiles	576	989	64	64	
<b>Bombers:</b>					
Strategic	316	150			
Intermediate-range	60	500	34	48	90

Ground Forces

	Budget (19.0 percent)		Personnel (33.6 percent)
Operations	12,866 MF	Military personnel on active duty	70,424
Equipment	10,516 MF	Drafted military personnel	160,794
Total	23,382 MF	Civilian personnel	10,769
		Total	241,987

### Major Units

Headquarters	Headquarters	4th Armored Division (Nancy)
I Army	I Army Corps	6th Armored Division (Strasbourg)
(Strasbourg)	(Metz)	7th Armored Division (Besancon)
		10th Armored Division (Chalons-sur Marne)

Headquarters	1st Armored Division (Treves)
II Army Corps	3rd Armored Division (Fribourg)
(Baden [Germany])	5th Armored Division (Landau)

### Other major units

Headquarters	
III Army Corps (St. Germain-en-Laye)	2nd Armored Division (Versailles)

(This headquarters can direct the operations of several other major units)

8th Infantry Division (Amiens)
12th Infantry Division (Rouen)
14th Infantry Division (Lyons)
15th Infantry Division (Limoges)
9th Naval Infantry Division (St. Malo)
11th Paratrooper Division (Pau)
27th Alpine Division (Grenoble)
31st Combat Unit consisting of two regiments

### Major equipment

1,085 AMX 30 battle tanks; 609 AMX 10P and PC armored cars; 105 AMX 10 RC armored cars; 1,358 armored attack vehicles; 134 AMX 30-tank repair vehicles; 1,350 Milan antitank missiles; 85 Roland ground-to-air missile units; 292 SA 330, 341, and 342 helicopters.

### Air Force

	Budget (12.7 percent)	Personnel (7.6 percent)
Operations	6,964 MF	Military personnel on active duty 30,548
		Drafted military personnel 22,229
Equipment	8,669 MF	Civilian personnel 2,016
Total	15,633 MF	Total 54,793

### Tactical Air Force (FATAC)

Seven squadrons (Colmar, Dijon, Luxeuil, Nancy, St. Dizier, Strasbourg, Toul).

171 Mirage III aircraft; 30 Mirage V-F aircraft; 144 Jaguar aircraft (including the nine squadrons operating for the Tactical Nuclear Force).

### Air Defense Force

Four squadrons (Creil, Cambrai, Reims, Orange).

34 Mirage III aircraft; 132 Mirage F-1 aircraft.

### Air Transport (COTAM [Military Air Transport Command])

Four squadrons (Villacoublay, Evreux, Orleans, Toulouse).

39 Transall aircraft; 4 DC-8 aircraft; 59 Nord 2501 aircraft; 94 helicopters.

### Naval Forces

	Budget (12.1 percent)	Personnel (5.4 percent)
Operations	7,205 MF	Military personnel on active duty 25,305
		Drafted military personnel 8,910
Equipment	7,635 MF	Civilian personnel 4,114
Total	14,840 MF	Total 38,329

### Naval Combat Forces

1. Two major commands--

a. Mediterranean (Toulon); 3 aircraft carriers; 37 war vessels;  
b. Atlantic (Brest). 20 submarines; 90 ship-borne aircraft;  
32 naval patrol aircraft; 39 helicopters.

2. Several naval air bases--

Landivisiau, Lanveoc, Lann-Bihoue, Nimes, Hyeres, St. Mandrier, St. Raphael.

### Naval and Operational Transport Force

45 vessels;

139 support and training aircraft.

### Gendarmerie

	Budget (7.9 percent)	Personnel (9.8 percent)
Operations	8,903 MF	Military personnel on active duty 66,865
		Drafted military personnel 2,782
Equipment	825 MF	Civilian personnel 621
Total	9,728 MF	Total 70,268

Territorian gendarmerie--total, 43,083 men divided as follows:

3,600 territorial brigades;  
291 specialized brigades;  
27 investigation sections;  
91 surveillance and mobile force platoons;  
22 mountain units.

Other units--total, 4,020 men divided as follows:

Republic Guard;  
Air Transport Gendarmerie;  
Gendarmerie of the FFA [French Forces in Germany]  
Ordinance Gendarmerie.

Major equipment used:

33 AMX all-terrain vehicles;  
121 AML [light armored cars];  
133 wheeled armored vehicles;  
37 AMX 13 tanks;  
36 helicopters;  
6 light aircraft.

Overseas Forces

	Budget (3.0 percent)	Personnel (2.6 percent)
Operations	3,021 MF	Military personnel on active duty 14,585
Equipment	686 MF	Drafted military personnel 2,728
Total	3,707 MF	Civilian personnel 1,597
		Total 18,910

Six major commands:

French West Indies; Guiana, Polynesia, southern Indian Ocean, New Caledonia, French forces stationed in Djibouti; Cape Vert support center.

Two autonomous commands:

Port Bouet (Ivory Coast) and Libreville (Gabon).

Major equipment:

157 light armored vehicles (ground forces, gendarmerie); 35 aircraft (air force, including 10 for the navy); 41 helicopters (ground forces, air force, gendarmerie, navy); 50 naval craft.

## B. Support Services in 1982

### Research and testing

	Budget (4.1 percent)	Personnel (2.7 percent)	
Operations	1,810 MF	Military personnel on active duty	4,367
Equipment	3,243 MF	Drafted military personnel	2,399
Total	5,053	Civilian personnel	13,120
		Total	19,886

The above involve operations in laboratories, testing centers, firing ranges, and research centers.

### Training units

	Budget (8.3 percent)	Personnel (11.4 percent)	
Operations	7,209 MF	Military personnel on active duty	45,338
Equipment	2,940 MF	Drafted military personnel	30,854
Total	10,149 MF	Civilian personnel	5,377
		Total	81,569

The above involve operations at schools of the three armed services, of the gendarmerie, and of the military health service. Also, at advanced inter-service schools, polytechnic and ordnance schools, and military preparatory schools.

### Personnel Support

	Budget (5.4 percent)	Personnel (6 percent)	
Operations	6,031 MF	Military personnel on active duty	14,327
Equipment	612 MF	Drafted military personnel	9,048
Total	6,643 MF	Civilian personnel	19,363
		Total	42,738

The above involve the army service corps and commissaries, military health service, social action, national service, cadres' accommodations, and offsetting payments to the French National Railroads.

Equipment support

	Budget (4.3 percent)	Personnel (11.4 percent)
Operations	4,284 MF	Military personnel on active duty 13,257
Equipment	953 MF	Drafted military personnel 5,912
Total	5,237 MF	Civilian personnel 62,653
		Total 81,822

The above involve materiel, infrastructural, transport, and transit agencies.

General administration

	Budget (3.8 percent)	Personnel (4.0 percent)
Operations	3,930 MF	Military personnel on active duty 12,581
Equipment	728 MF	Drafted military personnel 4,870
Total	4,658 MF	Civilian personnel 11,990
		Total 29,441

The above involve headquarters, organs of the central administration, and some inter-service agencies.

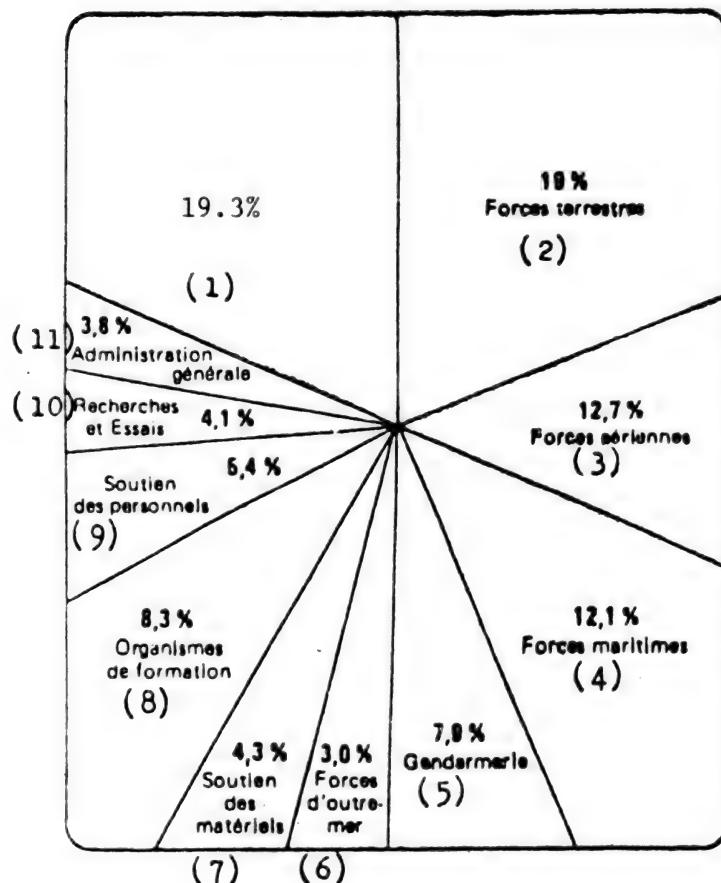


Figure 1. Breakdown of the Defense Budget (in percentages)

Key:

1. Strategic and tactical nuclear forces	6. Overseas forces
2. Ground forces	7. Equipment support
3. Air forces	8. Training units
4. Naval forces	9. Personnel support
5. Gendarmerie	10. Research and testing
	11. General administration

Defense Budget for 1982 (in millions of francs)

<u>Budgetary subheads</u>	<u>Operations Title III</u>	<u>Equipment Title V</u>	<u>Total Payments Credits</u>	<u>In Percentage</u>	<u>Program Authorizations</u>
Ground forces	23,334	13,719	37,053	30.2	19,484
Air Force	12,913	13,948	26,861	21.9	19,797
Navy	11,530	11,489	23,019	18.7	13,488
Gendarmerie	10,476	1,050	11,526	9.4	1,149
Joint subhead	8,300	16,096	24,396	19.8	18,380
Total	66,553	56,302	122,855	100.0	72,298

The above figures do not include pensions and contributions to the Special Public Workers Fund, both administered by the Ministry of Budget.

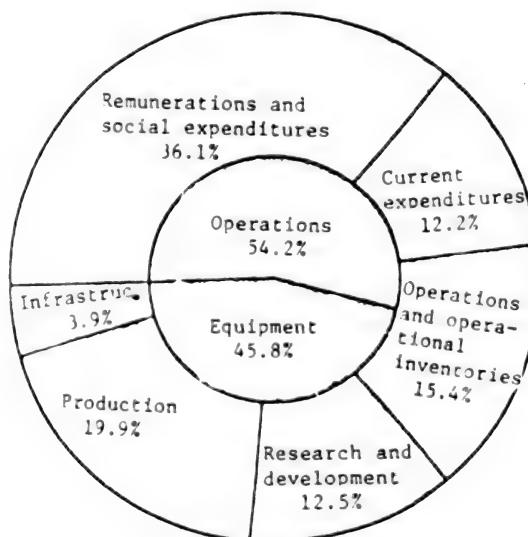


Figure 2. Use of Defense Credits (in percentages)

Evolution of the Budget since 1977

<u>Year</u>	<u>Millions of francs</u>	<u>Percentage of Gross Domestic Mercantile Product*</u>
1977	58,412	3.54
1978	67,654	3.62
1979	77,111	3.61
1980	88,602	3.69
1981	104,443	3.86
1982	122,855	3.90

\*The Gross Domestic Mercantile Product represents the total of gross value added (including the Value Added Tax) of retail goods and services and may be estimated as averaging 88 percent of the Gross Domestic Product.

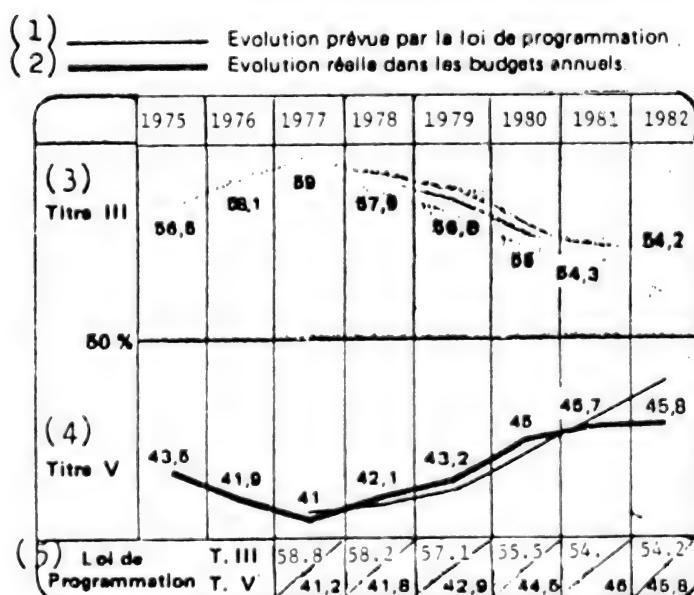


Figure 3. Breakdown Between Operating Expenditures (Title III) and Equipment Expenditures (Title V)

Key:

1. Evolution projected by the defense act	4. Title V
2. Real evolution in the annual defense budgets	5. Defense act
3. Title III	

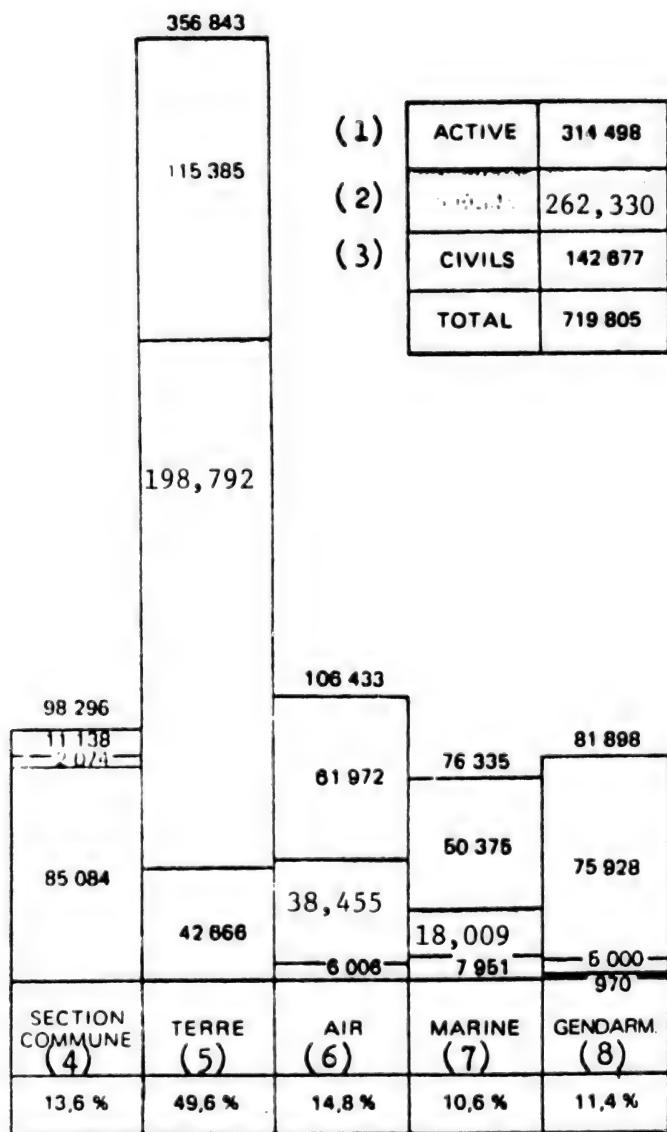


Figure 4. Number of Personnel in the French Armed Forces in 1982 (average budgetary numbers)

Key:

1. On active duty	5. Ground forces
2. Draftees	6. Air force
3. Civilian personnel	7. Navy
4. Joint subhead	8. Gendarmerie

## Capital Equipment Programs in 1982

### 1. Nuclear Forces

#### Strategic Air Force

1. Continuation of major maintenance on the Mirage IV aircraft.
2. Completion of the silos of the second missile firing unit to equip it with S-3 missiles.
3. Start of studies of the mobile MSSB missiles.

#### Strategic Ocean Force

1. Continuation of construction of the "I'Inflexible," the first missile-launching nuclear submarine to be equipped with the M-4 missile system in 1985.
2. Continuation of the studies, testing, and development of the M-4 missile with multiple thermonuclear warheads.
3. Completion of the major careening of "I'Indomptable" and beginning of the major careening of the "Terrible."
4. Beginning of studies on a new-generation missile-launching nuclear submarine.

#### Tactical Nuclear Force

1. Continuation of the development of the intermediate-range air-to-ground missile.
2. Beginning of studies on the Hades missile slated to succeed the Pluto missile.

### 2. Ground Forces

#### Ordering of the following equipment:

50 AMX 30 tanks; 47 AMX 10 RC armored cars; 55 AMX 10P and PC armored cars; 43,000 FAMAS [rifles]; 270 armored attack vehicles; 21 Roland missile units; 18 SA 342 helicopters.

Continuation of the reorganization of the rapid deployment force (establishment of the 31st Combat Unit).

### 3. Air Force

Ordering of 25 Mirage 2000 aircraft; Ordering of 5 Transall aircraft, 30 Epsilon training aircraft, and 10 light helicopters.

Installation of 52 two-barreled 20-millimeter antiaircraft guns.

#### 4. Naval Forces

Completion of the following equipment: One nuclear attack submarine, one ASM corvette, four dispatch boats, one TAAF trawler, three minesweepers, one supply tanker, four training vessels. Delivery of 11 Super Etandard and 11 Xingu aircraft.

Principal vessels under construction: One missile-launching nuclear submarine, four nuclear attack submarines, five ASM corvettes, two antiaircraft corvettes, two dispatch boats, six super rapid patrol boats, two public service vessels, seven minesweepers, one supply tanker, two light transport vessels, four training vessels, and two hydrographic vessels.

#### 5. Gendarmerie

Bringing up to full strength all brigades with personnel numbering less than 6, reinforcing the most overburdened brigades, establishment of 19 new PSIG's, establishment of investigation brigades, and strengthening of investigation teams.

Ordering of five armored vehicles and four helicopters.

Installation of 1,030 telematic computer terminals in base units (at the company and territorial brigade level).

Construction of barracks and of 1,320 housing units.

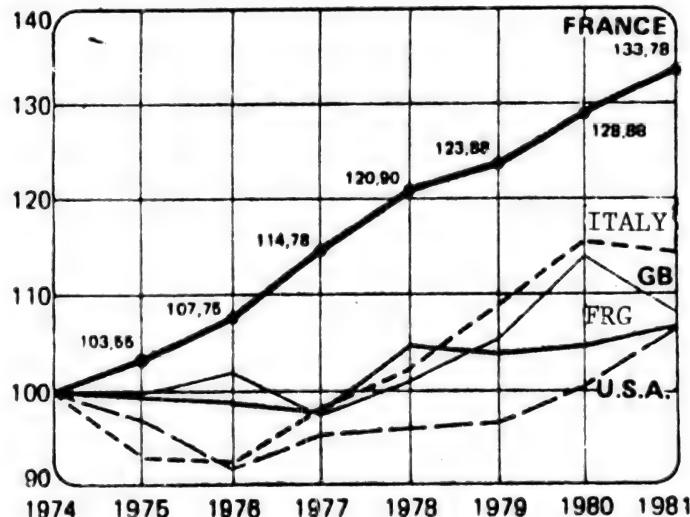


Figure 5. Evolution in the Magnitude of Military Expenditures in Selected Countries

Role of Defense in Selected Countries (1981 data)

	<u>Defense expenditures (in millions of francs)</u>	<u>Percent of Gross Domestic Product</u>	<u>Number of army, navy, air force personnel</u>	<u>Other forces (1)</u>	<u>Reserves (1)</u>
Belgium	19,459.5	3.3	89,600	16,000	137,500
Britain	150,827.9	4.9	343,646	6,950	190,000
France	139,881.0	4.2	539,611	82,000	450,000
Italy	51,201.2	2.5	366,000	84,500	738,000
The Netherlands	26,085.3	3.2	102,800	8,400	171,000
Federal Republic of Germany	133,673.5	3.4	495,000	-	750,000
United States	966,320.6	5.8	2,049,100	45,000	879,400
USSR (2)	629,740.0	11-14.0	3,673,000	560,000	5,000,000

(1) Sources: On defense expenditures--NATO statistics, which include military pensions. On number of personnel--"Military Balance" (1980-1981).

(2) Estimates for 1980.

2662  
CSO: 3100/472

## CYPRIOT FOREIGN TRADE FIGURES PUBLISHED

Nicosia CYPRUS WEEKLY in English 9-15 Apr 82 p 8

## [Text]

Arab countries absorbed more than 51% of Cyprus exports last year, by far the biggest group of customers for the island's products.

Yet imports from the same countries amounted to only 13.5% of the total.

In contrast, the EEC, while taking only 28.9% of Cyprus exports, sold the island goods worth £241 m or 49.3% of total imports.

The figures are given in the December report on foreign trade, which gives a summary of total imports and exports for the whole year.

Imports rose by 15.4% to £489.5 m. while exports jumped by 24.9% to £234.7 m. This left a trade deficit of £254.7 m.

Imports of petroleum products amounted to £105.3 m. representing 21.5% of the total, as against £78.5 m. in 1980.

Consumer goods, capital goods and intermediate inputs all showed an increase, but imports of transport equipment declined from £39.7 m. to £33.6 m.

Exports of manufactured goods reached £141.5 m. or 73.2% of the total, clearly showing the importance of such local industries as those engaged in the manufacture of clothing, footwear, chemicals and plastics.

Agricultural raw produce exports amounted to £42.3 m. or 21.9% of the total, while mineral exports dropped to about £9 m. (4.7%).

The report says exports to Arab countries reached £120 m. (51.1% of the total) as against £92.4 m. (or 49.2% of total) in 1980.

Exports to the EEC amounted to £67.8 m. (as against £57.7 m. or 30.7% in 1980). This shows a £10 m rise but a drop in the percentage. Imports from EEC countries went up from £214.3 m. to £241.5 m.

Eastern Bloc countries sold the island goods worth £31.5 m. (6.4% of total) as against £31.7 m. (7.5%) in 1980 while buying Cyprus products valued at £14.6 m. (6.2% of total) compared with £11.1 (5.9%) the previous year.

CSO: 4600/428

## GOOD PROSPECTS SEEN FOR FURTHER COOPERATION, TRADE WITH CHINA

Duesseldorf HANDELSBLATT in German 18 Mar 82 p 3

Article by kv: "China Now To Become an 'Entirely Normal' Market"

Text The business climate is good; the great desire for cooperation remains unchanged. In the view of SMS -- Schloemann-Siemag -- director Heinrich Weiss, the prospects for continued Chinese-German economic relations are good, even though some obstacles have yet to be removed.

Weiss, who has just returned from China, tells about an "extraordinarily friendly atmosphere" in which the most recent talks took place. It was finally agreed that --after a delay of 3 years -- an international consortium headed by SMS would be able to deliver a cold-rolling mill for the steel works at Baoshan. Weiss said that the Chinese were very relieved that a common solution had been found that would be substantially less costly for them than if they had canceled the order -- as had first been contemplated -- thus making it necessary to pay compensatory damages. Weiss indicated that the consortium had escaped "unscathed, speaking strictly from the standpoint of figures." But the management had of course "spent a tremendous amount" in connection with the negotiations.

Weiss said that all the talks had given him the impression that FRG trade with China could develop "very organically, with normal growth rates" in the years just ahead: "The political will to expand trade is unbroken." He noted that following the excessive expectations of 1978 and 1979 and the "period of ill humor" that set in afterwards, it was now realistic to assume a continuous development.

Weiss indicated that the tug-of-war over the rolling mill contract had not damaged their extremely good relations. The German builders of machinery and installations continue to be held in high esteem in China, even though they are considered to be extremely expensive. Weiss sees substantial opportunities as regards export and licensing agreements, not only for manufacturers of large installations but also for medium-sized companies. He is thinking not least of all here about the German machine-building industry with its great variety of special products.

The Battenfeld Machine Works GmbH limited liability company in Meinerzhagen, an SMS subsidiary, can be taken as an example. Using Battenfeld licenses, the Chinese are building plastics machinery that they are selling on their own market while

Battenfeld is handling sales for the rest of the Far East market. It is said that the machinery, which Battenfeld engineers say is faultless, can be offered at an extremely good price, thus constituting unpleasant competition for the Japanese.

But the Chinese are interested in more than exports and manufacture under license. They indicated an undiminished interest in genuine joint ventures, but at the same time they are aware that a number of obstacles have yet to be removed. A possible forum for establishing the basic conditions that are lacking is the second session of the German-Chinese Commission, a group made up of representatives of government and business; the FRG will host the meeting this year. An investment protection agreement is considered an indispensable prerequisite before German firms will invest any capital.

If Weiss assumes that China can become an entirely normal market for the Germans, then the assumption basically applies to heavy industry as well. Although light industry and the consumer goods industry presently enjoy certain priorities in China, the Chinese have obviously recognized that these industries cannot exist on a permanent basis without a strong steel industry to back them up. The suppliers of rolling mills can therefore certainly count on receiving orders in the years just ahead. To be sure, large-scale projects will hardly be springing up in the countryside, at least not in the next 5 years, but supplementary installations will be needed at already existing steel plants. The Chinese market still represents an enormous potential considering the fact that China and its 1 billion people produced only 32 million tons of steel in 1981 (by comparison, the FRG produced 42 million tons).

7458  
CCO: 3103/386

## USSR, FRANCE SIGN AVIATION AGREEMENT

Moscow VOZDUSHNYY TRANSPORT in Russian 11 Mar 82 p 3

[Article by VOZDUSHNYY TRA.SPORT Correspondent I. Grigor'yev: "Next Stage in Cooperation. An Important Step in Developing the Trans-Siberian Air Route. The IL-86 Begins Regular Flights to Paris. In the Spirit of Cooperation and Mutual Benefit."]

[Excerpts] At the Ministry of Civil Aviation [MCA] in Moscow, negotiations have been completed, whose results will undoubtedly give new impetus to Soviet-French relations in the area of air transport.

The Soviet delegation at the negotiations was headed by G. Mirzoyan, deputy chief of the MCA's Foreign Relations Administration. The French delegation was headed by Monsieur R. Esperou, director of air transport service in the French General Directorate of Civil Aviation.

During the three rounds of negotiations which took place in Moscow and Paris, an agreement was reached whereby the French airline, Air France, will be the first of the European airlines to begin operating the wide-body Boeing 707's on the trans-Siberian air route, beginning 1 July 1982.

As is well known, this is the shortest air route from Europe to Japan. Thus, the interest in the trans-Siberian route shown by western airlines is understandable. Implementation of this agreement will be advantageous both to the passengers, whose travel time will be reduced, as well as to Air France. A considerable savings of fuel is anticipated, which is a factor of no small importance, considering the energy and economic situation.

For its part, Aeroflot will begin operating wide-body IL-86's on Moscow-Paris and Leningrad-Paris flights, beginning this summer.

In addition, during the completed negotiations which took place in an atmosphere of mutual understanding, the two sides agreed upon many important issues of bilateral cooperation.

Thus, the results of the negotiations allow one to speak confidently about the new and important tasks planned for Soviet-French cooperation in the area of air transport.

## BANK REPORT ON POSSIBLE ECONOMIC RECOVERY

Rotterdam NRC HANDELSBLAD in Dutch 26 Mar 82 p 11

[Text] Amsterdam, 26 March--According to the Middle Class Bank of the Netherlands there are still plenty of chances for economic recovery. That is the bank's conclusion from a study it held involving 1700 businesses in the second half of last year. In its 1981 annual report, the NMB [Middle Class Bank of the Netherlands] deals with a number of possibilities for bringing about economic recovery.

From the responses of about 1,700 businessmen, of whom about 600 were examined much more closely, it can be seen that a rapid recovery of the economy is not expected by the businessmen. To be sure, the number of businesses cutting back will decline a bit and the number of businesses expanding will increase a bit, but the expectations of investment are not favorable.

Due to the pile-up of increasing taxes, energy costs and the burden of social security premiums, business's financial margin has almost entirely disappeared. This has brought about a "reorganization process" which is too quick and too extensive to bring the economy back to health, while, according to the NMB, businesses which are healthy at the core are also being carried along.

The demolition of the market sector even leads to the undermining of the collective sector.

#### Improvements

A number of the measures for promoting economic recovery discussed with the businesses can be taken very easily. The influence of the WIR [Law on Investment Compensation] premium proves to be very positive on investments particularly for small and growing businesses. An increase of the WIR premium by as little as 3 percent would be an incentive for 38 percent of the businesses to make investments.

Further, the system of labor cost subsidies is very much on the right road, particularly for small businesses with fewer than 10 employees.

Governmental credit guarantees make up an important aspect of the demand for governmental support. There are currently about 60,000 people in companies

which have been the recipients of governmentally guaranteed loans under the auspices of the NMB alone.

The total outstanding at the NMB increased from 738 million guilders to 782 million guilders, after a certain amount of stagnation had occurred in 1980. J.J. Grouls, the deputy chairman of the board of directors, however, termed the total demand modest, in part in view of the approximately 75,000 business loans the NMB has granted.

The relatively high interest has proven to be an important brake on growth in recent years, while in addition a strengthening of self-capitalization is needed.

While there is not very much to do about these latter elements, there are much greater possibilities in the area of taxes and social security premiums.

In this connection, Dr A.A. Soetekouw of the board of directors formulated the position that in order to increase its own revenues, the government must reduce the pressure of taxes and premiums. According to him, this kind of relationship has not been the subject of adequate scientific study.

In this respect, Dr De Ritter of the scientific bureau of the NMB indicated that thus far research has largely been directed toward macroeconomic aspects and that the effects of policy and pressure in the microeconomic sphere had been studied very little.

In the meantime, all of the needed conclusions are presented in the study "Businesses in the Netherlands," incorporated in the annual report.

Both from the positions in the report of the directors and from the information provided by number of members of the board of directors, it appears that there are plenty of possibilities for recovery, but that policy is being pursued which will produce results at odds with the intentions.

After the board of directors had expressed its reservations as to the prospects for 1982 some weeks ago, there do not appear to have been any motives for revising its expectations.

6940  
CSO: 3105/151

## TOP FINANCE OFFICIAL ON BUDGETARY PROBLEMS

Rotterdam NRC HANDELSBLAD in Dutch 24 Mar 82 p 15

[Report of an interview of Treasurer General Pieter Korteweg on 22 Mar 82 in his office at the Ministry of Finances by Kees Calje for HANDELSBLAD: "Growth of Government Is Now at the Expense of Wages"]

[Text] "For the past 2 years, the increase in the pressure of the collective burden has been at the expense of the employees. Before that, taxes increased at the expense of profits, thus of the employers. But now the real disposable income of the employees is dropping, even though gross wages are still increasing faster than labor productivity. The disposable wage drops, and that is painful, for that causes consumption to decline."

Pieter Korteweg, formerly professor of monetary economy in Rotterdam but since 1 January the highest civil servant ("Treasurer General") in the Ministry of Finance, sees only one solution to the stagnating economy: The government must cut back, without delay and to a stiff degree. He fierily defends "his" minister's, Van Der Stee's, position that this year 4.5 billion guilders less must be expended than earlier plans would indicate. The day before yesterday I spoke with him in his office at the ministry.

Korteweg: "Even with the 4.5 billion in cutbacks which Minister Van Der Stee supports, national expenditures will increase. That is, the volume of national expenditures after allowing for price increases would still rise by 3 percent!"

## Confusion of Terms

A complete confusion of terms has slowly come to exist on words like "cutbacks" and "alterations." Korteweg admits that the millions bills [annual budgets] which have appeared over the past years have been far from always having been clear on that point. In fact, the point in the "cutbacks" is not one of true reduction of expenditures, but of a reduction with respect to multi-year-estimates made earlier.

Korteweg: "For the four-year period since 1978, the applicable plan was the 1981 Plan, which determined that tax and premium pressure must be stabilized. Instead of stabilization, however, the tax burden rose by 5 percentage points. In fact, 15 to 20 billion guilders less were cut back than had been intended."

[Question:] How in the Name of God is it possible that the words and deeds could differ so sharply?

Korteweg: "Economic growth was disappointing; the prognoses proved to be too optimistic, and interests rose quite a bit, causing the burden of interest to increase. But besides that, something else occurred: Successive millions bills always produced new expenditures, which wiped out the cutbacks again which had been attained in other areas. That is currently called 'intensification of policy': new expenditures for one or another politically respectable goal. That was an expression of political will."

[Question:] The second Van Agt cabinet has now been in power for a number of months. How much has been saved thus far?

[Answer:] (Silence) "That is distressingly difficult to say. A number of alterations plans--about 4 billion guilders--are included in the 1982 budget, which has been approved since then. New plans still have to be put into practice, just look at the Health Insurance Act. But I am not going into that any further now. At present there are no more windfalls, only disappointments. As yet only a few plans have been carried out."

#### 6.5 Percent

During the formation of the cabinet, it was agreed to reduce the budget deficit to 6.5 percent of the national income. Since then it has been admitted that the Van Agt-Wiegel cabinet had allowed that deficit to run up to 8.3 percent last year. In order to come back now to 6.5 percent, according to Korteweg, "at the least" 4.5 billion guilders will have to be cut back.

Korteweg: "With that, you come out with a budget deficit of a maximum of 7 percent. That does not, however, include the figures which are not in the budget."

By that he means the money for certainly is expended but which is not included in the budget. Korteweg gives three examples:

for construction last year, 1.9 billion was paid out for construction "outside the budget," and for this year, Minister Van Dam plans 3.3 billion;  
for the coming two years, several billion in capital credits are to be added, also not included in the budget, and 900 million guilders have been withdrawn from the General Civilian Pension Fund.

Korteweg: "If you do not count in the figures that were kept out of the budget this year, then you come up with a budget deficit of 8.4 percent. A trail has been blazed from which we really must turn back. Expenditures of that kind do place very real demands on scarce means, and therefore rationing is needed, and it is now lacking. There is a shortage of budgetary discipline."

## Relevant

[Question:] Cutting back is obviously distressingly difficult. Is that not possibly due not only to the kind of decisions made, but also to the manner in which decisions come about and are carried out? Why are the deficits still always larger than intended?

Korteweg: "That is an entirely relevant question. We have just established a separate study group 'Budget Margin' which is studying that question. I have just received the first memoranda from that study group. But for me it is definite that the problem is the result of a lack of a political consensus."

[Question:] What do you think about the manner in which cutbacks are discussed, in the public media, for instance?

[Answer:] "It strikes me that the stories are often entirely directed at personalities, not at cases. The relations between people are emphasized too much. Because of that, the view of the structure is obscured. And also that of the substantive differences. There are radical differences in the manner in which people think about the problems, philosophies with which I do not agree but which are respectable, after all."

[Question:] According to union leader Wim Kok, a 4.5 billion guilder cutback would cause from 10 to 15 thousand jobs to be lost in a short time. Others state that new cutbacks will cause a loss of demand, just at a time that private consumption and investment are already declining rapidly. Thus the danger of a negative spiral is no longer theoretical.

## Paradise

Korteweg: "If the theory of a loss of demand were correct, we would have to be living in paradise now. For the government has been doing everything it can for the past 10 years to prevent a loss of demand. And consumption did increase heavily in the 1970's. Still investments declined and unemployment increased, despite the policy of, let us just call it 'overheated expenditures.'"

[Question:] But businesses only make investments when they see a chance of a market.

Korteweg: "I agree with you completely about that. It would have been easier to change course earlier, that is clear. Because of that delay, now more will have to happen, and there is a threat of a demand problem. But do not forget that even with the cutback of 4.5 billion, the governmental expenditures will increase. And exports are increasing, too, growing faster than world trade. Thus the government's demand and the demand from abroad are actually increasing."

"Our big problem is that savings have declined so much. The Netherlands used to save 20 percent of its national income; now that has dropped to about 12 percent. If we were saving as much as 10 years ago, we would have a fat 30

billion guilders on the table. Quite a few problems could be solved with that. Those savings dropped so sharply because in the 1970s consumption increased three times as fast as production: 2.5 percent per annum as compared with 0.8 percent per annum."

[Question:] At the moment, the Netherlands has a strong surplus in the running balance of payments: last year 8 billion guilders, this year probably 13 billion. Does that not indicate a savings surplus?

Korteweg: "No, you have to see that as an investment shortage."

[Question:] By the book, the wage moderation ought to have led to a recovery of profits and because of that to more investments. That did not happen, then.

[Answer:] "No, because even so wages still increased faster than the national income, faster than labor productivity, too. Therefore, profits still declined. Furthermore, disposable income also declined because tax and premium pressure constantly increased."

[Question:] That is why people like Professor Gans want the social security premiums for employees lowered. Then wage costs can decline while the buying power of the employees is maintained. Then a bigger deficit in the collective sector has to be taken into the bargain, until the economy has recovered. If need be through more monetary financing.

Objectionable

Korteweg: "No, that is an objectionable policy. Gans is speculating on the payback effects. I would do that, too, if I had been born yesterday. But we have been speculating on that for the past 10 years. You have to learn from the past. Sometime you have to become realistic."

"If Gans wants to increase the budget deficit, he is promising the people: we will not increase taxes today, but tomorrow. That is a certainty. What has to happen then is that wages increase less rapidly than prices, but Gans does not say anything about that. Increasing the budget deficit does not influence wages at all differently than it influences prices."

"Gans's policy does not come down to increasing the savings rate."

"It comes down to the government taking up a bigger slice of what is saved, in an absolutely annoying manner, that is, through more inflation. Through a decreasing real interest rate, for that is what it actually comes down to. Well, Gans's policy was applied exhaustively in the past. In the 1970s, we sometimes had even negative real interests. Did that help increase investment? Not at all!"

"We have also done the other: preventing the loss of demand by pumping up the demand side. But then you do know that wages just rise faster than production, that profits are bobbed up, and therefore that you do not reinforce the supply side that way."

"Thus we must stabilize taxes and reduce the government's demand on the capital market. That demand has increased drastically in the past years; I have a few interesting figures here: In 1978, the combined demand of the national budget and home building on the capital market was 43 percent; last year it had increased to nearly 100 percent."

[Question:] Add the total supply, what happened to it?

[Answer:] "In 1978, that was 52 billion guilders, in 1981, 42 billion."

[Question"] "The question remains whether, in light of the seriousness of the current crisis, you have to reduce the budget deficit to 6.5 percent just now.

Every Emphasis

Korteweg: "You have to place every emphasis on that 6.5 percent. Only then will the tax pressure not continue to increase, for the first time since the war. Then tax and premium pressure can finally be stabilized. That way, it will be possible for interests to differ from world interests, for interests to decrease. That is something that is in full swing already. In this way, you will come to a reduction in the burden: via tax and premium pressure and via interests."

[Question:] Over the past 4 or 5 years, the Netherlands has become accustomed to many words and few deeds. Furthermore, all the stories of cutbacks and moderation have an extraordinarily depressive effect. What do you think about that?

[Answer:] (Silence) "Yes, it would be less adverse if it were said loud and clear that this or that will be done within 1 year or 18 months. Now there is constantly a threat hanging over the market and nothing is ever done about it."

"I think it is so dumb, when you know that 10 centimeters have to come off the dog's tail, to chop off 1 centimeter per week for 10 weeks. Then you hurt it 10 times. You can do it much better with a couple of big swings."

[Question:] Do you have any examples of successful series of cutbacks from the past or from abroad?

Limitation of Expenditures

Korteweg: "The limitation of expenditures of the 1950s: that had already born big fruit after 1 year. And the cutbacks in the beginning of the 1970's under Minister Nelissen: that also took effect very quickly. Certainly, if we do what we say, the results will be visible very quickly. Just look at the wage moderation: that has already led to a stiff surplus in the running account [of the balance of payments]!"

[Question:] The blow that will have to fall this year is 4.5 billion guilders. Would you not really rather cut back an even appreciably higher figure?

Korteweg: "No. You have to limit yourself to what can be done. Otherwise it just leads to disillusionment."

[Question:] But where are you going to get this 4.5 billion, then?

Korteweg: "That is what the current discussion is about, I cannot go into that. Minister Van Der Stee wants 4.5 billion, other ministers want other figures. During the cabinet formation, it was agreed that about 1.5 billion of that 4.5 billion could come from the national budget and that the rest--that is, 3 billion--must come 'rom social security provisions, civil servants' salaries and health care.

"Precisely how cutbacks are to be made there--all of the ministers are working on that. For they all have alteration plans."

[Question:] But they are not being carried out.

#### Natural Gas Profits

[Answer:] "Yes, we are now in the planning stage: Plans to escape from the ills of the day. Because tax revenues and natural gas yields are disappointing, we have become addicted, in our budget, to natural gas revenues which are not coming in as fast as they were."

[Question:] How much as the nation taking in this year in the form of natural gas revenues?

Korteweg: "If you add up the tax revenues and the nontax revenues: 6.4 percent of the national income, or about 20 billion guilders. Last year that was still 5.8 percent. So we are receiving more, but much less than we could expect, as a result of the declining oil prices and a much more conservative consumption of energy."

At the ministry, they are currently very busy studying how gas revenues will develop over the coming years, but for the time being there is great uncertainty. Korteweg: "I cannot say anything sensible about that yet."

#### Foreign Investments

[Question:] Last year, Dutch business invested about 8 billion guilders abroad, about 2 billion more than in 1980. Investments abroad have now been greater than foreign investments in the Netherlands for 10 years. In the meantime, we are in need of investment. Is that not a distressing mixup?

Korteweg: "You get that in an open economy. If you do not object to exporting more than you import, you cannot object to our financing those exports in some way, either, by exporting capital. That neutralizes the surplus in the running account of the balance of payments. Naturally, it is better to have a balanced balance of payments. That is what monetary policy is intended for, too."

[Question:] And economic policy as well?

Korteweg: "Economic policy, too, must be directed toward that. In my opinion, the surplus in the running account of the balance of payments is primarily a result of the absence of investments. Therefore, policy must be directed toward a recovery of investments. It is completely clear that the surplus in the running account is not caused by the budget deficit being so small. Indeed, we have a surplus despite that budget deficit."

6490  
CSO: 3105/152

## ERDEM LETTER PLEDGES TIGHT MONEY POLICY TO CONTINUE

Istanbul MILLIYET in Turkish 17 Feb 82 p 4

[Article by Emin Colasan]

[Text] Ankara -- In a letter to IMF Chairman Jacque de Larosiere, Finance Minister Kaya Erdem said there would be no deviation in the economic policies to be applied in 1982, that restrictive money policies would be continued and the flexible exchange rate policy would continue to be applied.

The letter, dated 27 January 1982 and sent to the IMF over Finance Minister Kaya Erdem's signature, begins "Dear Mr Larosiere" and contains the economic policies to be applied this year and the Central Bank's monetary limits. This letter from Kaya Erdem is a "letter of intent" written to the IMF specifying the economic policies to be pursued in 1982. The topics covered by the letter were discussed earlier by the Turkish government and IMF officials and agreement was reached on them. The letter was written later at the IMF and sent to the finance minister for his signature.

According to the information contained in the finance minister's letter, direct borrowing from the Central Bank to finance the SEE's [State Economic Enterprises] will be restricted again this year and the ceilings set for SEE investments will not be exceeded in any way.

Kaya Erdem's 2-page letter to the IMF chairman dated 27 January 1982 reads verbatim as follows:

"Dear Mr Larosiere,

"1. In accordance with paragraph 5 of the letter addressed to you on 22 July 1981, the Turkish government has reviewed the foreign competition, budget and financial status of the SEE's and has prepared proposals on upper limits for the Central Bank's net domestic assets and the credits which the Central Bank will offer to the public sector for the period 1 January-30 June 1982.

"2. Significant additional developments have been registered since the middle of the year as regards realization of the stand-by agreement goals. In the review of 1981 in toto, the inflation rate was reduced to less than 40 percent and, at the same time, the rate of economic development increased; in fact,

gross domestic product rose more than 4 percent. As a result of policies revising the economic structure and stepping up outward orientation, the balance of payments in 1981 improved despite a significant drop in capital input. Through the increase, measured in dollars, of more than 50 percent in exports and the significant increase in foreign exchange obtained from worker remittances and service payments, we succeeded in raising our reserves from their low level while also realizing the necessary growth in the volume of imports.

"3. The government's goal for 1982 is to reduce further the rate of inflation while maintaining the growth rate realized last year. If we wish to finance the necessary volume of imports, the significant element of economic recovery will be, as it was for 1981, the exportation sector. Therefore, the government will continue the restrictive financing and money policies, keep interest limits for savers and borrowers in positive values in real terms and retain its flexible exchange rate policy.

"4. The 1982 budget, which will be valid for a 10-month period only in order that the fiscal year and the calendar year may coincide as of 1983, envisages further restraint on the government's monetary requirements. A tight spending discipline will continue to be pursued. It is hoped that income growth will benefit from a broader implementation of the tax reform measures placed in effect in 1981.

"5. In light of the achievements of 1981, the government intends to step up its efforts to increase the monetary self-sufficiency of the SEE's. A new approach to rationalization will be taken in this area, in that: (a) SEE managers will be given virtually full authority to set and regulate prices. (b) The fundamental factor will be functional results. (c) The basic structure of the enterprises' investment programs will have specific ceilings. If the state enterprises' profits and loans procured from outside the public sector, or either of the two, are lower than hoped at the outset, the government will accept this situation in which it will face a lower investment level than programmed. During this year of improving our oversight of SEE operations and an important transition year, we intend to continue to monitor developments closely. As to financing of the SEE's direct borrowing from the Central Bank by these enterprises will be further restricted. Only one, the Soil Products Office, will receive direct credit from the Central Bank. Moreover, whereas estimated budget transfers made to the state economic enterprises for the period March-December 1981 were 204 billion Turkish liras, these transfers will be limited to 233 billion Turkish liras in the March-December period of 1982.

"6. Proposals have been prepared for the period 1 January 1982-30 June 1982 on the Central Bank's net domestic assets and limits on Central Bank credits to the public sector. These are shown in the annexed table [not reproduced]. Difficulties encountered in the export of two important agricultural products made it necessary to envisage increases in net Central Bank credits to be given to the agricultural cooperatives in early 1982. As it will not be possible to cover this increase in the first half of the year by cutting the credits given to other sectors, the increase which would have been needed had this not been the case. It is the firm intention of the government to hold the absolute increase of Central Bank net domestic assets in the second half of 1982 at a sufficiently lower level than the proposed increase for the first half of 1982.

to allow, when the expected real GDP growth data are received and with an inflation rate of around 25 percent, the rate of money volume expansion to be consistent for the entire year. In setting up credit programs, it was assumed that there would be an increase in the Central Bank's net foreign liabilities of around \$250 million-\$300 million between the end of December 1981 and the end of June 1982. As will be understood, the government will consult with the IMF if the change in net foreign liabilities is significantly higher than expected.

"7. The government has continued to register significant developments in the elimination of delays in foreign loan repayment, both through postponement discussions and by means of certain foreign exchange payments. While delayed payments were \$2.35 billion at the end of March 1980 and \$785 million at the end of June 1981, this amount was \$321 million as of the end of October 1981. Another advance was the rationalization of the exchange rate system by eliminating the multiple exchange rate system which had emerged owing to special rates applied to student foreign exchange transfers and imports of fertilizer and agricultural chemicals. The government reaffirms its intention to clear remaining overdue foreign payments by June 1982 and that no further debt repayment delays will occur throughout the remaining term of the standby agreement.

"8. The government intends to continue the policy of setting the Turkish Lira exchange rate on a daily basis in light of developments on the international money markets and, at the same time, of developments observed in domestic prices against foreign prices. Because of its contribution to protecting the power of foreign competition, pursuit of this policy is considered the basic building block of our program to strengthen and revise the Turkish economy.

"Respectfully,

"Kaya Erdem

"Minister of Finance, Turkey"

8349  
CSO: 4654/183

## DETAILS OF TURKEY-IRAN ECONOMIC AGREEMENT REPORTED

## 'MILLIYET' Report

Istanbul MILLIYET in Turkish 14 Mar 82 p 9

[Text] The Turkish economic delegation which paid a visit to Iran received, on 5 March 1982, orders totaling \$960 million to be filled within 1 year and reached an agreement in principle on future development of areas of cooperation between the two countries. The Turkish economic delegation, led by Deputy Prime Minister Turgut Ozal, consisted of 17 representatives from the government sector and 150 businessmen.

According to information received from reliable sources, the 5 March agreement with Iran--details of which are provided below--is the biggest so far in export terms.

The trade negotiations, which were held in a constructive atmosphere of mutual understanding between official representatives of the two sides, were concluded by commission work by the businessmen and an agreement was finally signed.

Important provisions of the agreement are as follows:

--State and private organizations from both sides will participate in economic activity.

--The two sides will cooperate in the fields of technology, education, engineering and consulting.

--A ministerial-level "joint commission" has been formed to develop cooperation. Separate committees affiliated with this commission will also be formed to deal with matters pertaining to trade, banking, technology, agriculture, petroleum and other issues.

The agreement will go into effect following ratification by both sides and will be automatically renewed each year unless terminated in advance by either side.

## Cooperation Areas

According to the agreement the two sides will do the following work in various areas of cooperation:

1. Payments for imports and exports between the two sides will be made from accounts held at the central banks of the two countries.
2. In the field of industry, mining and construction, the sides have agreed to complete construction of unfinished factories and to make new investments.
3. On issues of transportation and communications, agreement has been reached to establish direct air passenger service between Istanbul and Tehran, to ease telephone and telex communications and to develop land and sea freight transportation.
4. Iran will provide Turkey with 60,000 barrels of crude oil per day. This amount will eventually rise to 100,000 barrels per day.
5. Feasibility studies will be undertaken for the construction of a new oil pipeline.
6. Iran will provide Turkey with natural gas. Work will be initiated on this project. Also studies will be undertaken for a gas pipeline which will pass through Turkey and extend into Europe.

## Sales

The two delegations reached agreement on the type and amount of goods Turkey will sell to Iran in exchange for Iran's sale to Turkey of at least 3 million metric tons of oil per year. The agreement does not limit the quantity of goods to be sold and these quantities may be increased if necessary. Officials state that since the central banks of the two countries have taken on the responsibility of making the payments for mutual exports, there will be no risk of delays in transfer of funds.

Following is a list of Turkish goods which, according to the agreement, must be delivered by 5 March 1983:

### Economic, Industrial and Technical Cooperation Agreement

The Turkish side undertakes to deliver the following goods to Iran at competitive prices and in accordance with rules of trade:

#### Finalized Sales

Product	Turkish <u>Supplier Firm</u>	Quantity	Amount
			<u>(million dollars)</u>
Sugar	Turkish Sugar Factories	200,000 metric tons	100.000 CIF North Iran

Product	Turkish <u>Supplier Firm</u>	Quantity	Amount
			<u>(million dollars)</u>
Sugar	Turkish Sugar Factories	100,000 metric tons	40.000 FOB
Wheat	TTMO <sup>1</sup>	50,000 metric tons	8.475 FOB
Wheat	TTMO	200,000 metric tons	34.725 FOB
Barley	TTMO	300,000 metric tons	50.050 FOB
Frozen meat	EBK <sup>2</sup>	15,000 metric tons	36.750 CIF Tehran
Frozen chicken	EBK	3,000 metric tons	4.905 CIF Tehran
Tractors	Turk Fiat	5,000 units	35.250 CIF Tehran
Tractors	John Deer 3140 Cukurova	2,000 units	29.600 CIF Tehran
Tractors	John Deer 2040	5,000 units	50.000 CIF Tehran

(1) Turkish Soil Products Office

(2) Meat and Fish Association Directorate General

It has been agreed to maintain the price of the steel products mentioned below content over the next 1 year. The sales agreement signed on 5 March 1982 will be valid for 1 year.

Product	Price FOB (dollars/metric ton)	Price CIF Tehran (dollars/metric ton)
Steel Sections	265	365
Unformed steel bars	265	365
Reinforced steel bars	255	355
Galvanized pipe	443	543
Black pipe	347/367	467/569

The sides will study joint enterprises and will discuss the construction of silos in a Turkish region close to the Iranian border for delivery to Iran.

### Contract Sales

Below is a list of Turkish products on which agreement has been reached to export to Iran. The sale of some of the products has been finalized; the sale of the rest will be finalized in the near future.

Product	Value of Quantity of Product To Be Sold in 1 Year (million dollars)
Acrylic fiber for textiles	30
Raw materials for the textile industry	25
Steel sections	50
Steel bars	20
Plate and rolled steel	50
Galvanized and black pipe	35
Plastic pipe	20
Synthetic rubber	10
Heating materials	4
Thermoplastics	6
Synthetic powders	30
Chemicals	30
Electrical gadgets	32
Engine and machine parts	15
Wood and paper	14
Cement bags	2
Craft	5
Various tools and equipment	69
Margarine	27
Feta cheese	4.2
Frozen meat	24

Product	Value of Product To Be Sold in 1 Year (million dollars)
Lentils	7
Animal fat	8
Equipment and engineering for grain silos	55.3
Sugar	140
Wheat	43.2
Barley	50.05
Frozen veal	36.75
Frozen chicken	4.90
Tractors	114.85
Total	960.25

#### Further Details

Istnabul GUNAYDIN in Turkish 13 Mar 82 p 4

[Report by Oktay Senguler]

[Text] Mehmet Okumus, Chairman of the Board of Okumus Holding, who was one of the members of the 400-man business delegation which visited Iran under the leadership of Deputy Prime Minister Turgut Ozal, said that all businessmen who went to Iran sold some goods. Stating that Iran is "a large market for Turkey," Okumus said that "Turkey will improve its condition thanks to Iran." Claiming the the trade with Iran will "benefit both the businessmen and the country," Ikumus said that his company has sold to Iran "textiles, yarn, textile products, raw and processed leather, shoes, underwear, parkas, beds and needles." Okumus added that the delivery of goods to Iran will begin around the end of March.

Stating that Deputy Prime Minister Turgut Ozal has been very helpful, Okumus said:

"We were provided with great facilities thanks to Ozal. The Iranians like him very much. They do whatever he says. In addition to holding official talks he joined our meetings with Iranian businessmen. He took interest in everybody's problems and helped to solve those problems. We were able to sell our products easily thanks to Ozal."

### What Are We Selling to Iran?

Food products: Meat, milk, eggs, chicken, various types of cheese, flour, wheat, olives, beef products, liquid and vegetable oils, chocolate, sugar products, cacao products, dairy products, tea, cigarettes, fruit juices, fruit concentrates, preserves, honey, chickpeas, lentils, beans, potatoes, rice, sugar, pasta products, crackers.

Industrial products: Tractors, spare parts for automobiles, tires, machine parts, refrigerators, washing machines, industrial coolers, radios, ventilators, various types of paint.

Textile products: Men's clothing, military parkas, jackets, shoes, under-wear, belts, leather clothing products, boots, military boots, sweaters, shirts, berets, hats, jeans, cotton products, yarn, buttons, needles.

Textile raw materials: Cotton, linen, hemp, related products, raw and processed leather, cloth, shoe soles.

Stationery: Notebooks, pencils, paints, school supplies.

Health products: Medical supplies (medicines and vitamins).

9588

CSO: 4654/230

## PCI-NETHERLANDS CP TALKS IN ROME

PM141221 Rome L'UNITA in Italian 20 Mar 82 p 21

[Unattributed report: "PCI-Netherlands Communist Party Talks in Rome"]

[Text] Rome--A Communist Party of the Netherlands [CPN] delegation composed of the chairman, Comrade Henk Hoekstra, and International Bureau Chief Comrade Jan de Boo was the guest of the PCI 17 through 19 March.

During their stay in Rome the Dutch comrades were received by Comrade Enricho Berlinguer and had conversations with the following comrades: Directorate member and International Affairs Department Chief Gian Carlo Pajetta, Foreign Section Chief Antonio Rubbi, Foreign Section Deputy Chief Rodolfo Mechini and Foreign Section aide Michele Ingenito.

The two delegations made an ample examination of the international situation and of the problems of the workers movement, stressing the need to seek new contributions from communist, socialist, democratic and progressive forces, within the full autonomy of each of them, to surmount the economic and social crisis in Europe and to facilitate the regeneration and the processes of the transformation of society in a democratic and socialist direction.

The conversations, which took place in a cordial and friendly atmosphere, permitted a broad exchange of information and opinions on the situation in the respective countries and on both parties' activities.

Particular attention was devoted to the issues of the peace struggle, which in the present international context demands a stronger commitment from all democratic and peace-loving forces to the resumption and further development of the unitary movement against armament and the nuclear threat.

The CPN and PCI agreed on the need to further develop relations between the parties and agreed on some joint initiatives to this end.

CSO: 3104/173

## TEXT OF 10 JUNE PEACE DEMONSTRATION APPEAL

DW200647 Frankfurt FRANKFURTER RUNDSCHAU in German 19 Apr 82 p 4

[Text" of "Official Appeal" signed by "several" unidentified peace organizations on occasion of 10 June peace demonstrations in Bonn in connection with the NATO summit]

[Text] Despite the growing worldwide peace movement and the UN disarmament conference which is to begin in early June in New York, NATO intends to hold a summit conference on 10 June in Bonn to discuss new armament programs. With this conference the NATO states are to bind themselves to the Reagan administration's striving for a worldwide position of superiority. This NATO conference is a challenge for all people acting for the preservation of peace and for concrete disarmament steps.

Worldwide armament efforts have assumed unimaginable dimensions. The eighties are increasingly becoming the most dangerous decade in the history of mankind. The danger of nuclear destruction of the world continues to increase. For more than 30 years NATO and the Warsaw Pact have been amassing so many arms that all life on the earth could be destroyed many times over. This danger is growing due to a new generation of nuclear weapons of mass destruction and the further development of chemical and bacteriological weapons.

Some DM1.3 billion are being spent annually on armament, that is DM16,000 per second. A child is also born every second and more than one-third of these children die prior to becoming 1 year old. Armament does not just kill in wars. Armament means the death of many people in the world daily and every hour because this armament comes at the expense of Third World countries where millions of people die every year of starvation. Unemployment is increasing in our country, social benefits are being cut and urgently needed environmental protection measures are not being implemented.

Our aim is total worldwide disarmament for which we want to implement concrete measures in Europe. Europe is particularly threatened by armament. More nuclear weapons are stored here in a small area than everywhere else in the world. According to NATO's dual decision, new U.S. nuclear missiles--the Pershing II's and cruise missiles--are to be deployed in Western Europe, particularly in the Federal Republic. These new weapons systems correspond to the U.S. strategy of a nuclear war limited to Europe. Pershing II's and cruise missiles are suitable for a first nuclear strike. They do not achieve more security; they much rather increase the danger of war.

In this life-threatening situation, the Europeans are urged to see and understand their interests regarding peace and disarmament. The Geneva negotiations between the United States and the USSR will make sense only if they led to real disarmament of medium-range nuclear missiles in the East and in the West. A primary precondition for this is the prevention of the planned nuclear armament with Pershing II and cruise missiles. A solution including only land-based medium-range missiles is a deceptive "zero solution." A true zero solution in the medium-range field must include all medium-range missiles. Increasing pressure by the peace movement is necessary.

Peace means more to us than just the absence of war. Peace requires social and economic justice, political freedom, respect for human rights and self-determination for the people.

We decisively object to the cynical intervention policy of the U.S. Government in Central America, the Middle East, southern Africa and other parts of the world.

From the federal government we demand clear support for a political solution in El Salvador with the participation of the united opposition, the FDR/FMLN, which must be recognized as a representative political power. The cruelties committed by the pro-American puppet government with regard to defenseless people and the amassment of more and more weapons of annihilation in our country are the result of one and the same U.S. Government policy aimed at again becoming the uncontested No 1 world power.

We condemn the support of the Turkish military government by NATO member.

We are for the lifting of martial law and for a political solution in Poland. However, we are against the Polish situation being exploited by NATO as a means to aggravate international tensions.

We demand a political solution to the Afghanistan conflict which will ensure the national self-determination of the Afghan people, end all foreign intervention and include the withdrawal of Soviet troops.

We object to all violations of the right to self-determination by the people of the world, regardless of where they occur and by whom they may be committed.

Our resistance against the nuclear threat must not weaken. The balance of terror cannot ensure peace. We want to raise our peace concepts in contrast to the old military way of thinking. To do this, we continue to need courage, strength, imagination and stamina.

Only a strong peace movement together with the peace movement in the Third World can frustrate NATO and U.S. policies. In doing this we are not alone in Europe. The peace movement is also growing in the United States. The "other" America became long ago a powerful ally in the fight against the war course of the U.S. Government.

Therefore, on the occasion of the NATO summit and the UN disarmament conference, peace movement organizations and groups call for peace actions to be staged everywhere in the Federal Republic 5-12 June.

Come to the international peace demonstration on 10 June in Bonn.

--We call upon the governments of the NATO members to revoke their agreement regarding the deployment of new medium-range missiles of the Pershing II and cruise missile type. By doing this the way can be cleared for a decrease in nuclear and all other mass destruction weapons in West and East Europe with the aim of getting a mutual and comprehensive disarmament process going;

--We demand a drastic cut in armament expenditures in the East and the West;

--We will resist new nuclear weapons, neutron bombs and poison gas in Europe;

--We are for a nuclear free Europe where nuclear weapons are not stored, produced or used;

--We call on the United States to negotiate seriously in Geneva so that a real zero solution can be achieved with the removal of all medium-range nuclear weapons.

--Our governments must take their own initiatives for effective disarmament negotiations and the continuation of detente policy;

--We demand an immediate halt to German arms exports to hotbeds of crises and Third World countries; and

--We call on the federal government to refrain from any direct or indirect support of U.S. intervention policy in Central America.

The prerequisite for the successful implementation on these demands is a strong peace movement.

CSO: 3103/416

## PAPER SEES NEW TREND IN FRG PEACE MOVEMENT

DW131200 Bonn DIE WELT in German 13 Apr 82 p 2

[Article by Friedhelm Kemna: "Plowshares That Can Be Set Aside No Longer"]

[Text] Had all those people been on the road over Easter who want peace and not war, the streets and squares between Flensburg and Oberstdorf would not have offered adequate space. But not everybody who loves peace goes on the road for his credo; and thus, several hundred thousand people with different motives demonstrated for what has been handily abbreviated in political-scientific vocabulary as the "peace movement."

But what was demonstrated for the goals of the "movement" despite storm and icy rain proved to be less of a fake label than before. Granted, sheer anti-Americanism did march along in the forest of banners, especially of those with red as the basic color. Communists finding themselves degraded by the organizers to stragglers--albeit tolerated ones--held their enemy image high. And similarities with the enemy image of certain neighbor marchers were no coincidence at all.

But what manifested itself strikingly and obviously was the new strategic center: the withdrawal of the protagonists from the one-sided "peace movement" against the Western nuclear weapons. The slogan of unilateral disarmament, which avails itself of the unrest and the loss for answers, but above all of the "fear," ultimately does not hold its own against the challenge of reality. Eppler now enunciated the anathema to both sides; and Lafontaine demanded unilateral nuclear weapons renunciation lately from the Soviets as well.

Apart from the followers of the religion which preaches the peace monopoly of the weapons-bristling Soviet Union, hardly anybody could ignore the actual event of this Easter weekend: From the other German state, which does not allow anyone to demonstrate for peace in public against its will, the news about a rectorial letter of the Protestant Church reached the free rallies in the West German towns. The old symbol of the "swords into plowshares," banned by the SED as jeopardizing the state, in the plea of Magdeburg Bishop Krusche clearly manifested itself as the coat of arms of the peace movement in the "GDR."

In 6 years this is the first rectorial letter of "disobedience," of open ecclesiastical protest against the curtailment of the freedom of religion and conscience over there. This, too, made it impossible for the Easter marches in Bavaria and on the Ruhr to protest one-sidedly against U.S. nuclear weapons. With remarkable speed, yet with militancy, Erhard Eppler climbed the solidarity rostrum; even though, as he says, he really is not surprised that resistance against "morbid technocratic thinking" is stirring in the "GDR" as well. But the fact that it is stirring despite all disadvantages held in store for the demonstrators by the SED state; the fact that, and how, freedom of conscience revolted against the state power--all this probably was overwhelmed by the solidarity slogans in Dortmund and Berlin. The political scene of the banners reflects the subdivisions of the "peace movement;" there are many of them, and a common chorus remains difficult to achieve.

The sum total of the rallies, however, illustrates the problem; and it does not seem to be limited to Germany and Europe. What popularizes itself for the first time in the movements on both sides of the Atlantic that are concerned about peace--with or without ideology--is the question about the sense of nuclear deterrence; the credibility of its doctrine which hitherto had been in the hands of experts nearly without objection. Terms such as threshold, first strike, and targeting become politically provocative expressions which gain their own, mostly emotional, significance in the political public.

If Oskar Lafontaine, a man strictly advocating advance concessions to Moscow, talks of the need for renouncing the Western first-strike option, he touches the emotions of tens of thousands of people; and in doing so he can rely on a prominently fanned "peace discussion" in the United States. Yet, emotion will not go as far as the decisive consequences of this debate. Lafontaine is aware of that, knowing the consequences of and alternatives to, the first-strike option to the extent that they are not ideologically obliterated for him.

How much responsible intellect marched in the columns over Easter, anyway? And is, as Eppler maintained, the dynamics of the peace movement really the least of all risks under these circumstances?

CSO: 3103/416

## PAPANDREOU'S 'HONEYMOON PERIOD' REPORTEDLY COMING TO AN END

Athens BUSINESS & FINANCE in English No 187, 27 Mar 82 pp 6, 7

[Article by George Ventry-Canning]

[Text]

**T**hrough its Premier, Greece has taken a somewhat different angle from most countries of the West in the attitude adopted towards the latest proposals made by U.S.S.R. President Leonid Brezhnev concerning a cessation of deployment of S220 nuclear missile launching sites west of the Urals. The Greek government signified its view that the proposal is a positive step on which it is possible to build, while most of the Western powers took the view that, as S220 launching equipment is mobile, an offer to move it back to new sites behind the Urals means little, as it can easily be trucked back again at short notice.

Closer at hand, as far as foreign relations are concerned, there have been a few more instances of some Turkish air and naval units spotted trespassing across certain stretches of Greek air and sea space, on their way home from aero-naval exercises in the Mediterranean. The customary protests have been lodged through normal diplomatic channels, though in one case it is said that no less than 80 fighters took off in order to intercept Turkish forces.

A visit, last week, by Portugal's Prime Minister Pinto Balsemao provided an occasion for discussion of Greek support for Portugal's admission to the EC. Greece re-affirmed its view that it would be unfair to Portugal to make its admission dependent on what happens to the much greater undertaking of admitting Spain. Greece is no less willing to support Spain's entry, also, but realises that for the EC as a whole, entry for a powerful economic entity like Spain can cause more than a ripple and that, in consequence, it might require far lengthier negotiations. It would be hard on Portugal to make it wait all that long.

Still on the subject of the European Communities, the final touches were given at the beginning of this week to the proposals to be submitted by Greece to the EC for certain special dispensations felt necessary to enable Greece to fulfill all its obligations as a full member-state. The position seems to have eased appreciably since the moment when it became apparent that Greece is seeking to achieve these modifications through existing EC procedural channels. No doubt, the

preliminary talks held in Athens in the last fortnight with the chain of senior EC executives, already reported in this journal, paved the way for this new approach. The forecast is that, as Greece is not speaking only for itself but is also trying to champion several points of interest to Italy and France, in their capacity as 'Mediterranean' countries wholly or in part, the hope is that at least these two will give warmer support to some of the issues which affect mainly Greece.

Whatever the fate of the Greek memorandum to be submitted, it is fully realised in Athens that it is not going to be a path strewn with roses. The EC already has some much bigger headaches of its own with differences of substance arising among its major partners. Some of these differences, according to communiqués, formed part of last week's talks between British Prime Minister Margaret Thatcher and West Germany's Chancellor Helmut Schmidt. Divided over some matters and united over others such as the high U.S.A. interest rates, the leading EC personalities may not have too much time for discussing Greece's troubles at any length. On the other hand, it may not take them long to see that to meet some of the requests can mean a lot for Greece at minimal cost to the Community and may, therefore, be well worthwhile in the long-run, especially in view of the salutary political effect it could have on Greece.

---

**Greece is seeking to achieve these modifications through existing EC procedural channels.**

---

**T**he domestic scene is more complicated. The 1982 Budget has unquestionably frightened the market. The Athens Stock Exchange, staggering to and fro across the ring for several months, leaning on the ropes occasionally and sparring lightly at intervals, now looks as if it has taken two left (socialist) hooks straight to the jaw. Various trade, industrial, professional and other associations have, in the meantime, been given a chance to digest what the new scales of taxes mean. They all seem to feel that, while additional revenue must be raised, the manner in which this is being attempted leaves much room for improvement, i.e. that taxes can be spread and imposed in a manner less likely to numb the market. The market appears unanimous in the fear that, in their present form, the Budget and the new taxes could reduce the nation's all-round business turnover to such an extent that the increased rates of taxation applied to a far smaller volume of transactions, could end up with less net revenue.

Another, somewhat less reassuring, sign is that of an apparent end to the post-election honeymoon with the trade unions. Several experienced local and foreign observers of Greek affairs had forecast shortly after the October election that the government could count fairly safely on industrial peace until the early spring but, that, if this was to continue, the workers and their unions would have to begin to see tangible results -- whatever this may mean.

Evidently, assurances that "the people are now paramount" and that there is, "at least real democracy" in the higher educational institutions, together with extended suffrage for schoolgirls now allowed to discard aprons as part of their school uniform, are insufficient to allay anxiety over the weekly reduction in what a pay packet will buy. As usual, the first to cause trouble are those employed in State-run corporations and who, for the most part, are the best paid workers in their line of employment, also enjoying far more 'perks' than equivalent workers in private employment. First it was urban bus drivers and personnel who threatened to strike on the 12th of this month. They called it off only when management capitulated to their demands. Three days later the powerful OTOE bank clerks federation threatened two days strike on the 15th and 16th of this month. It was likewise called off at the last minute, when they were promised satisfaction of their claims (Greek banks are 90% nationalised). As this is being written, part of the staff of the Public Power Corporation is coming out on strike. On the 19th of this month, graduating highschool students were parading during the late morning outside the Ministry of Education with placards airing their just grievances about entrance exams to universities. Other lesser strikes are mushrooming in various directions.

Maybe this eruption of trade union militancy could conceal another feature. It is common knowledge that Communists have infiltrated quite a few of the trade unions. They had kept quiet for some months, probably on orders from higher authority in their Party. Perhaps, now, they have been given a free hand, or are even encouraged to become active and so display a separate image for Communism as the 'real champion' of the Greek working classes in presumed contrast to what they may now be trying to present as the 'half-baked Socialist' defence of the rights of the workers. The evidence is only circumstantial to this effect, but there is plenty of it. Certainly, last week the unions showed their hand and revealed the work they have put in among the student community. The elections in the Universities gave the Moscow-orientated KKE Exterior Party a handsome lead over the ruling Pasok Party's supporters among the students. The KKE Interior equivalent to Eurocommunists also polled heavily. When all this is added up, it begins to show that the honeymoon is indeed drawing to a close, not so much from what the still impotent right wing may be thinking of doing, but from the other political forces overtly outside the Pasok ruling Party or covertly operating from within it. In the last analysis it would be a mistake to think that the Communists will stay quiet and allow Pasok to steal their clothes.

**W**ith these problems simmering on the home front, the Prime Minister has been obliged to turn his attention, once again, to the armed forces as well. Recent Turkish incursions into Greek sea and air space, even if of no more importance than they may seem at first sight, cannot be ignored either from the point of view of the public nor from that of the country's armed forces. It would appear, therefore, that for this reason among others, the Prime Minister saw fit to visit an Army Corps HQ at Larissa on the occasion of a nearby political anniversary. In Larissa, he addressed some 700 or so Army and Airforce officers and told them that the government

had drawn up a ten-year re-armament programme. This, he said, would be funded out of national resources and, if necessary, cuts would be made in the budgets of other departments, in order to make absolutely sure that the armed forces are adequately equipped to cope with any contingencies.

---

**They had kept quiet for some months,  
probably on orders from higher  
authority in their Party.**

---

The timing of this statement is significant from two aspects. On the one hand, it was of course an appropriate pep-talk for the armed forces, which might otherwise have felt a sense of frustration if persistent reports about Turkish trespassing were to imply that they were doing nothing about it. On the other hand, it came at a psychological moment when there has been fairly sharp reaction to the new taxes that were imposed. It becomes a little more difficult to jib at some extra sacrifice on the part of the general public when there is even just a hint of national security being put at a stake.

The phrase about funding the programme out of national resources was a clear indication that the government was no longer reliant upon receiving its necessary hardware from its customary suppliers and that its arms shopping bag might be taken round on a broader market. Even more, there is reason to believe that efforts to develop a domestic arms industry will be intensified. The trouble with the Turkish affair is that, as previously reported, that country is in the grip of a military dictatorship and a fairly harsh one at that.

The fact has already caused Turkey difficulties with several governments in the western alliance (the U.S.A. excluded) which is inevitably having its effect on the country's economy, in a shambles for several years past. Under such circumstances an external distraction is a very tempting expedient for switching Turkish public opinion from its domestic problems to an external scapegoat. Greece, unfortunately, is the most lucrative choice for such a role at the present moment.

CSO: 4600/410

## PAPANDREOU STATEMENT ON CONTINUED EEC MEMBERSHIP RAPPED

Athens I KATHIMERINI in Greek 1 Apr 82 p 7

[Editorial: "This Is How EEC Is Viewed"]

[Excerpts] The concessions by the Greek side in the commercial and economic-financial relations with the EEC for the period 1981-1985-1987 were made, during the final negotiations for membership, with the following criteria: To speed up our entrance into the Community, to strengthen our international position and to bring about positive influences in our domestic political climate.

Taking into account the "national advantages" deriving from the fulfillment of the above three criteria, to seek our corrective changes in our economic transactions with the EEC is not only timely, but indeed required.

However, our requests cannot be submitted with underlying doubts as to the advisability of the existence of the Community itself. And it is precisely such doubts that become evident from the statements made by the Greek prime minister to the press at least--since we ignore how he posed the problem within the Parliament--in referring to possible negative developments on the question of the acceptance or not of the Greek proposals.

Mr Papandreou said: "We have not bound ourselves to remain (in the EEC) if we are not led to some solution." He added: "We cannot accept decisions negatively affecting Greek interests for the sake of communal solidarity."

The Greek people, in whose interest, according to the prime minister, the decisions will be made, will have to be informed exactly about which Community decisions are detrimental to the Greek economy, in which field and to what an extent. Information is even more vital because everyone should understand what is the damage we are threatened with by remaining in the EEC, and if it would be preferable for us to leave it.

In other words, the people, for whose interests alone the government of "change" is fighting, will have to understand why the existence of the EEC--despite the disappointments born from its slow and labored course toward full implementation--is an international entity devoid of any historical use for European and international realities. It will have to comprehend why it

is unable to attract Greek recognition of its long-term goals; and it is proving unable to do so, since an eventual refusal by the EEC to undertake, through Community funding, any compensation for damages to the Greek economy resulting every year from our own errors, is reason enough to counter-balance any other expectations from a "united Europe" and our active participation in it!

According to Mr Papandreu's thinking, therefore, the EEC is devoid of any political, cultural and social content, and the only role it can play is to help in the economic development of our country, by granting us more funds than are now transferred to us as net yearly income. Nothing more!

We wonder, how many Greeks actually agree with this position? How many of the PASOK followers would accept the fact that our desire to receive in 1982, say, one billion dollars from the Community instead of the 600-700 million which will indeed be left for us as a net gift, is sufficient motivation for our isolation from Europe? Moreover, this would mean that while losing the 600 or 700 million dollars, we would have to go looking for them on international money markets at exorbitant rates of interest, we would lose any right to opine on the shaping of European reality and Mr Papandreu would lose the right to tell Greek newsmen: "With our intervention, we changed such and such a decision of the European Parliament."...

Still worse: Mr Papandreu is threatening the "Nine" today, "Eleven" tomorrow, that if they do not satisfy our economic requests, he will leave the Community. This is a frivolous threat, and what is more, it comes too late. It is frivolous, because the "Nine," at this particular time, will have no qualms about accepting our resignation and perhaps assigning... Ankara to announce it!

It is also late, because the threat of resignation was valid when the Common Market was fighting to prove its historical role as a power able to advance European economic interests, with Greece one of the first beneficiaries. At this time, the "Nine" are not interested in these "laurels." And the requests for membership by Spain and Portugal and for association by African countries are being used as convincing proof for the brilliance achieved, despite its internal struggles, by the Community. What purpose is served, therefore, by such threats?

We shall always agree with the attempt to improve our position within the EEC at all levels. We shall agree with the unceasing care to protect Greek interests. However, we shall never agree with the view that the EEC is nothing more than a "pocket" from which we have the right to "draw" as much money as we want. And this, unfortunately, is the view to which official Greek practice is leading.

CSO: 4621/287

It is precisely these complex and contradictory, unpublished processes that cause the growth, and the change, of the ideological and political orientation of the vast majority of youth. Otherwise, we could not explain the presence today--in the face of the persistence of a general state of malaise and dissatisfaction--of contrasting impulses: passivity and return to political action; mystic escapes from the world, and a resumption of attention to the great ideological themes; forms of adaptation to the crisis and growth of a basic criticism of this society.

All this is even more important for the youth of our country. Because of the senseless choices of its dominant class, Italy sees its very membership in the world of industrialized and more developed nations put into question. We see the great danger of an actual decline of our country when we look at its absolutely secondary position in foreign policy in regard to the choices of the U.S. administration; the crisis of the large industrial areas; the aggravation of the southern question; the very harsh attack on employment and standards of living and on the power acquired in recent years by the workers movement; by the emergence of an actual "moral question" that corrodes the democratic life of our institutions from within.

The youth are hurt most by this situation which, if it remains as it is, will prevent entire generations from finding their place in society, making them pay a high human cost because of the limits and contradictions of capitalist development.

For this reason youth must speak up, be present, make their views count. We are convinced that the youth question, perhaps more than in other phases, is the most sensitive point, the point of contact of all the great problems of this society and our times. It is not possible to resolve any of today's problems without giving positive answers, above all to the new generations. On this turns the future of the workers' movement and of modern civilization, the possibility of actually changing the state of existing things.

We start with the great contradictions of the present and from the question of youth, in order to resume and to remotivate a radical criticism of this society. From this point moves the search for and reconstruction of a new aid to socialism, to a progressive answer to the exceptional problems humanity faces.

This is why we attribute exceptional importance to the 22nd National Conference of the FGCI [Federation of Italian Communist Youth]. We feel that we, the communist youth, are faced by a very great responsibility. We are not disowning the bitter and heroic struggles, the sacrifices, the ideological and political elaborations of communist generations that have succeeded each other until now. All this immense work has produced great gains, has constructed a decisive force, has permitted us to avoid losing the hope and the prospect of social change. But now, above all, it is the new communist generation that must move forward, work theoretically and practically for a socialism conceived as an advancement of freedoms, as a stress on the importance of each single human being. This is the generation of the struggle for a new socialism.

To work to build a new socialism means for us today above all to bring out the youth question as an area in which the fundamental contradictions of the world and of the society in which we live are manifested. We must do this in order to deal with two essential problems:

## THESES FOR 22ND ITALIAN COMMUNIST YOUTH FEDERATION CONGRESS

Rome L'UNITA in Italian 18 Mar 82 pp 8-9

[Document: Thirty-eight Subjects to be Discussed at Communist Youth Meeting]

[Text] The communist youth are holding their 22nd congress in one of the most difficult periods in the history of humanity from the postwar period to date. The times are very threatening, but also rich in potential for progressive action and liberation.

The danger of a nuclear holocaust is becoming real. Hotbeds of war have emerged all over the world. Serious risks appear in Europe itself. But there is also a strong desire for peace, expressed--particularly by youth--in the movements of recent months in Italy and Europe.

The impoverishment of resources puts the present world system into question. Increasing numbers of countries in the Third and Fourth Worlds ask for a new relationship with the developed nations and are no longer willing to be subjected to old and new forms of exploitation.

The restriction of the productive bases in the capitalist West enters into contradiction with the objective of full employment and prevents entire generations from finding work.

The crisis of values and objectives in today's world, the multiplication of conditions of isolation and solitude, the increasing spread of drugs and crime, contrast with the growing aspirations for freedom and solidarity.

Forms of the crisis of democracy are appearing which have been made the target of authoritarian attacks even through actual hidden powers. They oppose the growing demands for participation, change and articulation of power. This crisis is aggravated by terrorist attacks and by the actions of the Mafia and racketeers.

Many of the nations that have had socialist-type revolutions, not only are unable to make reforms that would deal with the open contradictions on the economic, social, cultural and political levels, but have seen tragic situations develop such as that in Poland or the invasion of Afghanistan.

1. To contribute in the creation of a new protagonism of youth;
2. To renew the FGCI, redefining its character and political-ideological aims.

At the center of debate in the coming months we therefore pose two convictions.

We believe it is possible to extend the mass movement of youth who would launch a new democratic and political protagonism. It is possible to rebuild and re-vitalize a mass organization of communist youth capable of contributing to leading the largest part of the new generations onto the terrain of a democratic alternative and of change in the direction of socialism.

This discussion must not lead, as happened in preparation for other congresses, to an abstract interrogation too closely held within ourselves. On the contrary, how to look at the great processes that develop in society and beginning with them, and with the contradictions that emerge from them, change ourselves. This is why we place on the agenda of our congress the need for political reform, for an effort that would produce ideas and substance that would focus on the problems of youth, of women, of humanity, regarding which it is necessary to correct and change the very forms of the political system.

These problems concern the entire workers' movement and the communists.

#### I. The Struggle for Peace and Peoples' Freedom

1. If the spiral of rearmament, which has recently accelerated exceptionally, is not introduced [as published--perhaps "interrupted" or "stopped"] in time, there is a risk of a nuclear holocaust. It is precisely the youth--that generation which will be fully mature in the year 2,000--who are the first to recognize the danger to their future. This is why they have created great peace movements throughout the old continent. Once more making headway is the idea that, in the nuclear era, in case of war there will be neither winners nor losers, but all of humanity will lose.

Peace is in grave danger above all because of the opposition of the great powers. In recent years--particularly after Reagan's election--American foreign policy has been characterized as an aggressive and imperialist policy designed to reconquer the lost domination following the defeat in Vietnam; on the other hand, the USSR has grave responsibilities for the power politics it has been practicing as shown by recent events in Afghanistan and Poland. Thus the two superpowers have once again launched the arms race and [increased] military expenditures to the disadvantage of social expenditures and support for the Third and Fourth Worlds. Any idea that peace can rest for much longer on the balance of terror is to be rejected. In fact, it is precisely the division of the world between the great powers that is the decisive element in today's dangers. Serious risks come from the failure to solve the North-South contradictions and from oppression and economic rape by the North of nations of the Third and Fourth World. Most of humanity is increasingly less willing to suffer the conditions of poverty into which it has been forced. Finally, peace is threatened by growing tensions and the actual conflicts in some areas of the world (Middle East, South Africa, etc.). There are several sharp alternatives in regard to this situation: either a new nuclear war, or a new division of the world based on the excessive use of power by opposing blocs, or the opening of a new phase of peace, cooperation and solidarity among the peoples.

2. In regard to the latter solution, movements of struggle have developed and forces of differing political and ideological orientation have contributed to them. The role of the FGCI has been particularly important in Italy. Due to the issues they have raised, and due to their power, these movements have succeeded not only in shifting the orientation of large masses, but also in influencing the policies of government and of some political forces. There has been a positive desire to consider a new idea of "peoples' diplomacy" and not only that of the governments and of chiefs of staff.

As communist youths, we believe it is necessary:

--To tie the struggle against Euromissiles to the struggle for the freedom of all peoples in every part of the world;

--Identify the substance and intermediate objectives for developing a process of eliminating military blocs;

--Develop a serious "culture of peace" and a new internationalism capable of contributing to solidarity with all those who fight to defend their own freedoms (in Poland, in El Salvador, in Turkey, in Palestine, in Afghanistan, in Chile, in South Africa, and in still other nations).

3. The main objectives to which we want to contribute in gathering a broad panorama of forces in the struggle for peace, also influencing negotiations between the great powers, are:

a. The non-installation of Euromissiles in the East as well as the West, and in our country at Comiso, regardless of the outcome of negotiations between the great powers.

b. The development of denuclearized zones in the hope of a Europe without missiles from Portugal to the Urals and the outlawing of all nuclear weapons;

c. The political proposal of the elimination of blocs within which there should be a redefinition of Italy's position in NATO. It is not possible to commit our military forces outside national borders. For this reason, we oppose, and consider very serious, the government's decision to send Italian troops to the Sinai;

d. The development of solidarity with the peoples in their fight for freedom, democracy and self-determination;

e. Concrete initiatives by the people and governments in the struggle against hunger and underdevelopment, which would fight against any neocolonial and rapist policy; against all discrimination in access to technology and science for the developing nations; for a new international economic order;

f. Reconversion of the Italian military industry and the cessation of all participation in activities involving military research with modalities agreed upon by social forces so that levels of employment will be safeguarded;

g. The clear condemnation of the Italian government's foreign policy and the request for an independent role of peace by our country. The choices of installing Euromissiles at Comiso, of sending troops to the Sinai, of gradually increasing military expenditures actually move in the direction of aggravating international conflict and accentuating the secondary position of our country in the policies of the Reagan administration: In this sense we consider that the continued presence of the Italian ambassador in El Salvador is scandalous and we demand his immediate withdrawal;

h. We believe it would be useful to start a process that would permit peace movements to develop stable and independent structures that would not be dependent on the positions of political forces or on those of the trade-union movement (even though the latter should play an active and positive role of stimulation) and so that they could provide united headquarters that would broaden cultural and political alliances.

## II Youth in the Crisis

4. The objective of full employment, which even Italy seemed to have almost achieved, is still very distant throughout the capitalist world. In the European Economic Community the unemployed approach 10 million. In our country the figure is now more than 2 million, 8.9 percent of the labor force. Seventy-five percent of the unemployed, more than half of whom are women, is less than 30 years of age. Last year saw an increase of 150,000 unemployed of whom 100,000 were women. Fifty percent of the unemployed consists of young people in search of a first job. Most of this growing unemployment is concentrated in the South. In Campania alone, the unemployed total more than 500,000. The question of unemployment in Italy is presented essentially from the point of view of the southern question and of the youth question particularly in regard--and this is a relatively new statistic even in the South--to unemployment among the well educated. In the South, the old imbalances which have always existed and which are still unresolved, are accompanied by social changes that affect the youth.

In the average southern city, a strong youth education program is flanked by a new demand for quality of life, services, a growth of civil consciousness, as the results of 17 May testify.

Youth unemployment can no longer be considered, however, the exclusive result of the dependent development of the South and of the less developed areas: It is now a problem that concerns all the capitalist nations of the world.

A careful reading of the data--not only the overall figures--will show ever more clearly that we are not dealing with a transitory event or even only a result of the recession. Rather, what becomes clear with ever greater force is the objective structural character and--present conditions remaining as they are--of the long-term existence of this phenomenon.

5. The workers' movement cannot and must not passively watch the condemnation of entire generations to living on the margins of society, to a future of pure and simple welfare. But the question that is posed is therefore: Can we consider the objective of full employment immediate and credible, and with what means?

To answer this question means to try to measure up to the great problems of development, of reconversion and reconstruction, first of all to the question of technological innovation. Today the introduction of new technologies in the capitalist process expels the labor force and reduces the employment base. And it is also true that the forces of management want to administer this process in order to increase their profits without any control, and to reduce the strength and power of the working class. All this while accepting a marginal and peripheral role in our country in the new international division of labor.

These tendencies can lead the youth sectors--and even some sectors of the working class--to submit technological development as such to discussion. We instead believe that this development, which today has the aim of pure and simple capitalist efficiency, could become the steering mechanism for a real qualitative leap among the laboring forces, even through the working movement's ability to control the production processes.

The problem then becomes that of demanding that all this not be left to the attention of the market, enmeshed with state intervention mainly oriented toward aims of supporting the large business concentrations. The crisis that afflicts Italy today demands the beginning of broad processes of reconversion and reconstruction based on the efficient use of resources; this must be affirmed through an effective democratic government from above and from below by the absorption of new technologies and of a new organization of labor whose aim would be the full utilization of all human resources, in this way linking control of these processes with the struggle for full employment.

6. Unemployment as a mass event also produces important changes in the orientation of youth and new and contradictory attitudes toward labor: The acceptance of any kind of work, regardless of what it is, mainly in the South, or even the willingness to allow oneself to be absorbed within the network of the Christian democratic system of power, lives side by side with the demand for a socially useful labor in which individuals could realize themselves and develop a better quality of life.

An attitude which makes the aim of labor merely to earn money does not exclude the possibility of other positions by those who for example, refuse to identify their lives with a single duty, demand useful and interesting work, associative and cooperative forms, greater self-determination concerning what, how and why an item should be produced.

Particular importance should be given to the questions involving uncertain conditions under which some young people worked. The area of productive decentralization itself is aware today of decreasing opportunities and possibilities of work. These forms have grown considerably in recent years and they are diversified: part-time, black [unreported] work, work at home, work by children under age, etc., but their common characteristic is the failure to enforce their rights, even trade-union rights. Even young workers in large factories, in small plants, in decentralized businesses, pay in new ways for the effects of inflation on the terrain of labor organization, neglect of health measures, increased repetitiveness, and failure to develop human creativity. On the other hand, the use for hidden motives and the increase of the Earnings Supplementary Funds connotes the maintenance of a vast area of masked unemployment which carries with it the development of actual social crises throughout industrial areas.

7. The present phase appears thus always characterized by the joint presence of inflation and restrictive policies that strike at real wages and productive centers. The crisis is presented, in brief, as a reality that forces us to clear, radical choices. Confindustria and the more aggressive sectors of the five parties try to use it to strike at the working class and to prevent unemployed youth from gaining any qualified access to the labor market. Against this attempt, the workers' movement, conducting one of the most difficult battles in recent years, must impose a priority based on employment and work that would overturn the restrictive logic and would permit a broadening of the productive base also through a regulation of the processes of labor mobility. Our task is to deploy increasingly broader sectors of youth in this conflict.

The struggle for full employment becomes therefore for us, and for the entire workers' movement, a fundamental objective which would be the basis for creating broad mass movements, motivating the sharpest criticism against capitalism, experimenting and searching for solutions of profound change.

8. The process of higher education has reached considerable dimensions: A little less than 4 million youths are enrolled in higher education (public and private secondary schools, centers for training and instruction, universities). It still remains to be completed to some extent in the South: In fact here the phenomenon of absenteeism from obligatory schooling assumes alarming dimensions. The political desire of the DC and its governments to prevent necessary reforms, the lack of reforms, the more general crisis, have put in question the role of the school as a center for cultural and professional production. Little is learned and poorly; and this little, together with other occasions for cultural growth, come from the outside (mass media, music, theater and cinema, etc.). It is wasted and unutilized in society.

In the divergence between intellectual potential and the limits of development space is found for the offensive against public schools and for making training centers serve private interests for the monopoly of means of information. To limit, to condition, to distort the learning process serves ruling class needs.

Students are increasingly aware of the crisis in aims and objectives of the public training apparatuses. The answers to this crisis are diverse: From the growth in the number of dropouts--favored by increasing selection--between the first and second year of high school (18.1 percent of the total, above all of students from the working class and in the center-north regions) to the spread of working experience in study courses. However, there is also a growth in the so-called "return to school" which expresses a demand for more learning in fields not covered by the schools and the use of one's own knowledge. The difference between knowing and utilization becomes for university youth even greater.

The defense of mass education and the full use of intellectual resources now frustrated require the democratic movement to undertake a commitment to put the focus on the question of qualification of study courses, of the relationship with work, on increasing research, increasing the use of areas of knowledge by intellectual workers, of culture as a resource for society and as a need for a more human existence. What comes into play here is also the ability to understand social change and the more recent scientific and technological changes, and to turn them into powerful instruments for the liberation of man. The

shortages of social services and cuts in public expenditures are accentuated in a particularly serious way on youth--particularly in the South. They are added to a quality of life that is already mediocre and slow down the impulse to achieve social policies necessary to improve them. Local agencies, even those administered by the Left, are deprived of many instruments of aid.

9. The shortage of houses, the need to prolong the period of time spent with the family, the difficulty of access to quality cultural consumption, the lack of a reasonably secure future: All this results in deep and widespread forms of disadvantage. This situation has worsened. While there has been an increasing spread of a qualitatively new demand that society does not accept and does not satisfy.

Capitalist development and its crisis are not able to ensure a certain future; they waste and humiliate the material and intellectual resources of the young generations. Therefore the youth question is a great national question in all capitalist nations, and for Italy it is a national question which runs through and dominates all the country's principal problems: The youth, more and less consciously, pay the price for this state of affairs.

10. It is in this sense that we speak of "new ways of pushing aside" the youth: Not in the sense of desperation or putting large sectors of youth in ghettos, but as a growing divergence between material needs, cultural demands, and ideological aspirations on the one hand, and society's response on the other. The standard of living to which we have referred at the same time produces new dependencies and adaptations, the liberation of demands and potentials that capitalist society is not able to appreciate. Therefore we face a "hegemonic" decrease of the dominant classes among the young generations, and, at the same time, the workers' movement's marked delay in understanding the entirely original terms in which the youth question is posed.

11. A new malaise is stirring among the youth in regard to the organization of society and the values that guide it. Even though ideological and political positions are very different, there is a common uncertainty about the future. A continuing uncertainty and precariousness of opportunities push toward the search for positive solutions for themselves and for the world. An unspoken "aspiration for freedom" is expressed above all in terms of self-determination, the right to express their opinions and make them count, and to achieve higher forms of justice; to select among the various possibilities for planning and determining their own existence without being locked within the confines of this development. A "thrust toward solidarity" is produced. We saw it in the dramatic days of the earthquake, we see it in groups of volunteers, in associations daily committed on the front of solidarity with drug abusers, the handicapped, the elderly.

The needs expressed by women have had a profound effect, finally, in the "relationship between sexes" and in the culture of youth. This has been seen in the commitment of young women and young men in the defense of Law 194. Not only that, today the search for new relationships of parity and understanding with the other sex without sacrificing the individuality of each is widespread among young women and in part even among young men. In friendships, as in relationships of affection, there is the search, at times exasperated, for relationships of authentic communication, of better relationships between individuals.

12. The fact that there has been no response to this positive pressure causes an uneasiness that is expressed in different and opposite ways.

For some it is expressed in "extreme forms of solitude" up to rejection of life in the escape and self-destruction of drug dependency and the crime linked with it. There is an exasperation of the phenomena of violence with which society is besmirched even so far as group violence and hippism, sexual violence and rape. For others, the widespread malaise produces "forms of adaptation" within the cracks of the system: the renunciation of any kind of commitment in exchange for subsidized work or for any kind of material security. In other sectors of youth there is a spread of the "search for new absolute certainties," often mystical, behind which hides a precarious daily life.

13. But there also is a growth--and this is something new--of a "political subjectivity" often linked to fundamental questions such as peace and life, at times seen in a very simplified way, but in any case based upon a lay, collective commitment to the search for new objectives for one's life and for one's development.

This political subjectivity that comes from youth is full of strong aspirations for change, demands and needs that enter into conflict with society. They are synthesized, and they agree on the subjects of quality of life and development. An original criticism of capitalist society is spreading which is different from the past. These drives are not guided by either the myths from abroad or confidence in a sudden overthrow of the system. Instead, it deals with the material and ideological experiences of the "children" of the present crisis who are able to see the limits of development in all their dramatic nature, who see the unacceptability of exaggerated individualism. This drive does not assume the forms of support for rebellion. It has original features and characteristics. It is a criticism that often is profoundly lay in nature which emerges from the individual and his relations with family, job, education, life in the cities.

14. This poses, therefore, a challenge for the FGCI. Some, in fact, maintain that the aim of politics is a possibility of change and they theorize about "reflux."

We believe that the development of mass experiences on the political and social terrain are possible. And events of recent times prove us right: The youth volunteerism after the earthquake of 23 November 1980; initiatives against the death sentence the past spring; the commitment of youth to the defense of [Law] 194 on the occasion of the referendum of 17 May; the development of groups and associations on subjects of drug dependency, the environment and nuclear power, culture, music and entertainment, relations between sexes; the movement for peace and freedom of peoples.

Moving in this direction is one of the newer phenomena of recent years: The quantitative and, to a large extent, qualitative development of ARCI [Italian Cultural-Recreation Association]. This development has taken place above all in the direction of the generations of youth with the offer of cultural services and opportunities, but also by creating new aggregative movements (such as the Environment League) which, starting with specific interests, encourages the broadening of political ideas and themes.

15. Particularly important is what is happening among the youth who--with different and even opposite political views are part of the Catholic faith. There is, in the vast panorama of Catholic aggregations (more than 8,000 rank and file groups not counting "official" organizations) a search linked to the themes of life and society that reach very different answers, answers that must be understood and studied. In some there remains a burdensome restraint of integralism. In many this is expressed explicitly, at times implicitly, as a criticism of capitalist society that can be (starting with the concrete questions: the fight against drug abuse, volunteerism and, mainly, the struggle for peace and freedom of peoples) a fertile terrain for confrontation and contact with other progressive views, including our own.

16. The totality of these varied experiences of youth, however, defines a world shot through with tensions, interests, and desires as a starting point from which to begin to construct forms of common commitment starting with the large contradictions of the present. A hard political and cultural battle by communist youth, alongside a great tension for union, is necessary in order to achieve this goal.

### III. Mass Movements and the Alternative

17. We are fighting to open a new season of youth struggle through the development of mass movements and the development of a political and youth protagonism on the terrain of change. We believe it is necessary to move decisively in this direction for two basic reasons: first, to supply concrete responses to old and new problems that would improve the standard of living; second, to allow the new generations to enter and to count in the country's open conflict.

There is a greater link between these two questions than in the past: Increasingly, on every terrain, there is a clash of opposing hypotheses concerning escape from the country's crisis.

There is a growing attempt at moderate stabilization around two poles that should remain marginally in conflict between themselves, the DC and the PSI [Italian Socialist Party]. This attempt would cause the PSI to exercise a role of moderate competition which, if it were to continue, would deprive the Left and the workers' movement of one of the forces of which it is composed. Opposing this is a line of democratic alternative and change beyond the area of capitalistic compatibility within which the socialists can play a fully independent and original role.

The youth would see an aggravation of their problems in all aspects of their lives if the hypothesis of moderate stabilization of the nation were to prevail.

18. On the contrary, from the objective characteristics of the crisis, and from the ways in which the young understand it, emerges the need for a change in the country. The crisis indicates the maturity of the idea of a new phase of search and struggle for socialism in democracy in Italy as well as throughout Europe.

In order to open this phase, it is necessary to build a democratic alternative to the DC and to its system of power. The problems of all the capitalist societies are presented, in fact, in Italy in an aggravated form because of the

uninterrupted presence of the DC in the government for more than 30 years, and by its identification with the state. The proposal of an alternative arises from the seriousness of the economic-social question, of the moral question, of that of our country's international role. The alternative consists first of all of a new process of social alliances based on the proposal for a different quality of development and resolution of the "moral question," and on the organization of a new and broader alternative social bloc through broad mass movements. This is the main condition to development of unity of the Left and a broader following comprising all progressive forces and for a new political direction, a new government and a new, clean and democratic way of governing.

The condition upon which the youth would find an answer to their problems is that this hypothesis be victorious in an open clash. And a condition for its victory is that the youth, like others, create a new political protagonism on the terrain of change.

It is not a matter of thinking of an operation that would flatten the movements within the so-called "political framework." It is just the opposite: We are thinking about a great political and cultural commitment whose purpose would be to ensure that youth enter the political and social scene, and the open conflict within it--beginning with their standard of living and with their original contribution--alongside other movements and within a broader front for change and the alternative.

It will not be an easy or linear situation: We must suffer contradictions and conflicts, knowing that there is an increasing need for a profound renewal of the workers' and democratic movement.

19. We fight for the independence and unity of new mass movements; they cannot depend upon negotiations and relationships among political forces; in them organized political forces, trade unions, must find an independent and original role.

The experience of the peace movement is an example and a teaching. It is necessary to try to bring down ideological barriers. The unity of the movements is guaranteed by the fact that people in them count as individuals and as groups, and not only as the leaders of an organized force.

Therefore, we want to distinguish between the strategy of a political force of the youth--like the FGCI which consists in favoring promoting and contributing to the construction and consolidation of new forms of organization and struggle --and existing organized movements. It is up to us to do our duty and play our role without trying to harm the independence of old and new movements. Independence is the condition for a contact among these movements--if they arrive at that point, as we believe possible,--with the themes of socialism and of the third road.

It would be a mistake to believe that the "direction" of the movement must be assigned to the political forces and to the "chiefs of staff." It must take place and be achieved within the movements, through forms of self-government and democracy of a new type, beyond any kind of discrimination on the basis of the desires of those who create these movements.

#### IV. Youth, Democracy and Workers' Movement

20. To fight for the development of mass movements is also the principal way to respond to the gap existing between the masses of youth and democracy.

This gap (which is less serious in regard to local institutions, but very serious as regards central institutions, parties and trade unions) is large because Italian democracy has retained certain basic distortions:

- a. The moral question, the distorted and patronage-inspired use the DC and other pressure and power groups make of institutions, prevents youth from developing a new confidence in them;
- b. The detachment of party life from society, provoked by the degeneration of the power system of the DC and its allies, increasingly alienates the people from political life;
- c. The traditional methods of representation do not always permit the youth to be consulted and to count with their own originality in the democratic dialectic and in decisions.

We cannot accept the view that the youth and growing sectors of society be alienated institutionally from the exercise of their own rights, and Craxi's and Piccoli's proposals for a "grand reform" designed to change the constitution should be opposed.

In order to reconstruct a relationship between the young generations and democracy it has become in fact necessary to develop a radical process of renewal of the channels of representation, to recognize the independent role of new individuals and movements, to renew and enrich the democratic system. Thus there is a wedding of efficiency and institutional change. We want to think in terms of a profound reform of democracy that would recognize new individuals, put the focus on the people's problems, and listen to the questions and subjects posed above all by the young generations. The policies of the local institutions administered by the Left has demonstrated, in part, in recent years, how it is possible to move positively in this direction.

21. It is a matter of recognizing the full political dignity of the articulations of civil society linking the independent pressures from below with the institutional levels and reducing the distance between the governing and the governed; this does not mean diminishing the role of the parties as instruments of Italian democracy, but rather to proceed in the direction of their renewal. The "gap" in democracy does not produce organized anti-institutionalism among the youth; there has been a defeat of the political plan which in past years tried to drag the youth into the spiral of terrorism. A great and decisive contribution was made by the FGCI. Today it is possible to measure how correct were the battles that were fought in those years to defend democracy and the terrain of democratic struggle.

Terrorism is still today the principal enemy of democracy and of the desire for the protagonism of the new generations. If hard blows were inflicted on the BR [Red Brigades] and against other formations of "red" terrorism, the absolute

impunity enjoyed by the neofascist terrorists is scandalous. The sentences passed at Catanzaro and at Brescia demonstrate how the links between the subversive Right and sectors of the state apparatus and the magistracy are still strong. Ten years have not been sufficient to bring to justice the planners and the material authors of the fascist assassinations. The investigation on the Bologna massacre of 2 August 1980 has come to a dead stop: Bologna, the city most injured by terrorism, the youth, the entire country, demand justice and that the network of black subversion be destroyed.

In order to defeat terrorism, under whatever guise it appears, it is necessary to have a mass mobilization of youth, workers, of all the democratic forces, and a commitment of the forces of order, and the magistracy in respect for democratic and constitutional guarantees and a growing undertaking of social prevention. In this sense, we believe a profound reform of the penal and prison system is necessary.

A part of the 1977 generation has been burned in its relationship with democracy: And it has been cynically exploited by the terrorist leaders. We are faced by the need to reopen channels that would permit the youth of that generation to give new responses to their malaise.

22. A profound self-critical reflection is necessary upon the diverse elements that caused the error we made when we chose to abstain from the recent school elections.

We did not understand that the relationship between new generations and democracy, even though it prevailed in an attitude of profound criticism of the forms of representation even in the schools and the universities, is manifested today by new characteristics compared with the past.

In addition to responses of adaptation and alienation, a new willingness to count on this terrain emerges today, particularly among the very young.

These new potentials, which have been expressed through the movement for peace, together with a new attitude that considers participation in a more specific and functional way, have pushed the majority of students into occupying the spaces, no matter how limited, that became available to them.

It is not, therefore, a matter of a "normalizing" movement; we must know, instead, how to see, despite the absence of a movement of reform, the needs for renewal that they express in this vote and that they express also in the form of a more specific and individual daily commitment. This fact is confirmed also by the tendency of many students to develop original forms of association and democracy like the Student Committees.

The choice we made, furthermore, has in fact become for the student sectors and the FGCI a choice of mere abstentionism in principle, in some cases, of an actual negation of representative democracy as such. Now a clear, sharp reversal of trend is needed.

This experience tells us that it has been and is an error to establish a direct link between the negative judgment on student organizations and the choice to abstain: for this reason, too, the choice made in December 1981 was a mistake. Too much weight was given to the idea that it was possible to again propose the experience of 1979 which instead turned out to be impracticable in the changed conditions of this year.

Today our efforts must offer a profound renewal of this scholastic democracy and of the school system also beginning with the forces and energies of renewal expressed in the vote of 13 and 14 December.

23. We feel a profound need for the renewal of the sense of belonging in the PCI: the need that the party be open politically and culturally to these new problems. The communists and the workers' movement are burdened by a very heavy task: that of reopening a political and ideological relationship with the youth; and to overcome the difficulties of a situation which, unlike in the past, is not presented with the characteristics of opposition to them, but with serious signs of separateness and, in addition, lack of ability to communicate. Behind the theme of the relations between communists and the youth there is the entire large question of the renewal of politics. It is a matter of enlarging its horizons beginning with the concrete aspirations of the young men and young women, of women and men: Policy must go beyond institutional problems and economic-social questions.

At the heart of the political commitment are the individuals, their needs, the relationship between individual liberation and collective change. Politics as a technique of power, as a spectacle and as an artifice, as an agreement between leaders, alienates the young generations from the collective commitment. Politics for us is the instrument of understanding and transforming reality: and in a phase of crisis and of change of direction--like the one we are now going through--large ideas and new lay aims are needed so that the youth will take hold of politics and not merely of a simple pragmatic device.

This is the terrain on which the contact between the youth and workers' movement is played out: not as a resumption of an ideological or mythical centrality, but as a meeting around themes of the quality of development, of life, of democracy, and of the new demands of youth. It is not a matter of adding new objectives to the traditional objectives, but to profoundly renew the substance and strategy of the forces of progress.

## V. Initiative and Struggle for Labor, Education, the Quality of Life, the Forms of Youth Representation

24. Regarding the questions of the circumstances facing youth, first place is taken by the development of initiatives of "struggles for jobs and full employment."

We advance five proposals for militancy:

a. To achieve active and democratic control of the labor market which is capable of a better and more adequate distribution of job opportunities and re-training the available labor force by establishing a National Labor Service

capable of intervening and changing the direction of development, taking into account the original nature of the various situations in the country. In this sense, for some southern regions, thought could be given to one or more agencies committed to the large integrated projects and to socially useful projects thus achieving through various sources of aid (public, private, cooperative, individual and associative) the employment by a date certain of thousands of unemployed.

b. Fight for large scale recovery in the South through the reorganization and democratic reform of the State Participations Agency, the fulfillment of planned commitments and investments already undertaken in strategic sectors for development.

c. Organize large-scale unified initiatives of youth and trade-union struggle to reduce the number of hours in the workweek to the European level, and a broader redefinition of required working hours.

d. Fight for the development of social services and production benefits above all in the large cities and in the South.

e. Force the state to make a clear choice in favor of cooperation as the third large alternative pole in regard to the "socialization" of means of production in respect of private industry and that of the state. The fundamental sectors in which cooperation is to be developed range from putting uncultivated and poorly farmed land into production, to social services and the advanced systems of sharecropping.

A new labor movement can be built on these points. The experience of recent years--after the affair of the leagues--speaks of a difficulty of putting into practice the battle cry of unity of all the forces of labor, a difficulty that has been foisted off on qualified unemployed youth: This is primarily a trade-union problem.

It is necessary to continue to fight for trade-union representation of workers in small businesses; to admit unemployed youth into the trade unions; to establish struggle committees for employment related to the trade union (in which to organize youths whose employment is uncertain, apprentices, seasonal workers and other young people in the labor market); for the independent association of youth cooperatives in various fields within the League of Cooperatives; for the formation of collectives capable of demanding a housing quota to be reserved for youth by changing the standards of residential building. These are some specific examples of an initiative of struggle and forms of organizations to which we can contribute. It is a matter of maintaining, within the trade union and association structures, a specificity in the organization of youth needs which alone can permit the defense of the rights of youth and maintenance of a drive toward unity.

25. We want to promote a movement "for the renewal of the schools and universities." To speak of qualification of curricula and of a new use of knowledge would mean bringing three questions to the fore:

a. We fight for a new relationship between knowledge and work: to defend mass education putting the accent on the qualification of curricula. This means ensuring, by a resumption of the battle of reform for the higher secondary institution, all youth the right to culture (through a unified biennial plan and a new common area in triennial curricula) and a new relationship between study and work (through the direction of triennial courses, liaison with the institution of Professional Training and alternation between study and work). The struggle to bring teaching up to date becomes a great point of political battle for the communist youth. Even the youth already employed can and must be involved in the struggle for the right to an education.

b. We fight so that university youth learn scientific processes: They must become protagonists in the construction of departments in the university to obtain a revision of curriculum and of the course requirements for a degree and a new access to scientific research and university work. The university must be responsive to the technical, scientific and cultural expectations of this generation. The capacity to build a new generation that would gain a knowledge of scientific research in all its fields can result in, particularly in the South, a new quality of development.

c. Study conditions. A large number of students, particularly in the South, must study in unsatisfactory circumstances. We fight for the refinancing and requalification of the school and university building policy, to reorganize the right of university students to study by helping non-local students to emerge from ghetto conditions, for a new relationship between the school and the local administrations that would promote common cultural, recreational and sport policies. The experience of the student movement in upper secondary schools has been characterized in recent years by a difficulty--common to the entire left--in attacking the problems of qualification of curricula and the school-work relationship.

Agencies for service and research, on the citizen level, on teaching methods, on the study-work situation, the relationship with the territory, associations of institutes for programming teaching methods, together with teachers; militant collectives to improve material conditions of study: All the foregoing represent the terrain of development for an initiative to give new productivity to the school and to learning, and for a different use; to construct, through forms of student self-determination a "pact of renewal" with the other progressive and reformist forces of schools and society.

#### Movements and the Culture of Change

26. We want to give vitality to "movements and associational experiences on the themes of quality of life."

a. It seems to us that a priority in this regard is the struggle against government cuts in public expenditures, for the improvement and extension of social services: We are thinking above all of consultation, public assistance centers for drug users, of cultural initiatives aimed at youth.

b. In the second place, it is possible to work to build a voluntary network of centers of solidarity for drug users that would serve as a bridge between public aid and the recovery experience.

c. In the third place, we are thinking of an effort for the creation, in collaboration with local agencies, of social centers for youth, youth homes, centers for documentation and service, in which the aggregative and cooperative experiences, cultural and social interests of youth would find a home and instruments in order to live, coordinate themselves and to activate the channels of relationships with institutions. More in general, through forms of youth association, it is necessary to vitalize the experiences of the movement on the life of the metropolis and the cities. Here the struggle against violence, the battle against neglect and for the creation of democratic circuits of production and consumption of culture in qualified forms, are concrete terrains designed to modify the life of a large part of the youth.

The experience of youth association which organizes itself in independent forms in relationship to the ARCI [Italian Cultural-Recreational Association] will see us involved directly and actively in these directions.

27. In all these fields, finally, we will fight for "new forms of youth representation," for democracy in labor relations: so that youth could play an active role in the trade unions, by extending membership to the unemployed and the organization of struggle committees for labor, in the League of Cooperatives, through the organization of youth cooperatives in the reform of placement procedures, and in National Service by labor, thus contributing to the renewal of trade-union democracy.

In the schools and universities [we fight for] the reform of the Curriculum Committees and of the regulatory units of classical courses, relating them with independent units of student representation (the Committees) on the local level of government, (the Councils of the Institute, of Degree Courses, of the Department of Classical Studies); and to decentralize the Ministry of Public Education. In the territory, where new forms of representation are particularly lacking, [we will fight for] experimentation that would interrelate the roles of the movements, of groups and of civil society with that of political forces and local administrations. To revitalize democracy, giving to its decentralized forms new powers and recognizing the independence of new subjects, in the neighborhoods and in the territory, is a condition that is basic if the youth are to deal with their problems.

## VI. The Struggle of Ideas

28. We do not view movements as simple demands made in street demonstrations; nor as a single general "movement" of youth; but as movements that are created out of particular circumstances (jobs, life, democracy) and which, in order to be realized, need contact with "a culture of change." Otherwise they would degenerate into corporativism and, on this terrain, their moderate demands would prevail.

If it is fundamental--and for us this is the point of departure--that the totality of political-social proposals start with the specific standard of living of youth, they must--in their own behalf, in order to find answers and because of the very characteristics of the crisis,--confront new ideas concerning the world and its future.

Today there is a growth among youth of new aspirations which have points of contact around the themes of the future of individual destinies and of humanity: Along with the youth, we want to advance important ideas and lay aims that would translate these aspirations into a new conscience of change. Otherwise insecurity, uncertainty, egoism would prevail and together with these phenomena the search for certainties outside of the realm of history.

Ideas are needed on life and on the world that would permit the youth to plan and practice a different future. We are working toward the formation, through the experience of each individual, of a culture for a new world based on reciprocal respect, justice, solidarity, freedom, and self-determination. We do not want to paint a picture of a utopia that can never be reached, but to give vitality to a new life and a new rational hope, beginning with daily problems, for a collective tension that would shatter individualism and state control and that would be based on the expression and appreciation of individual abilities.

29. Primarily we have in mind some thoughts on sexuality that would marry the freedoms and self-determination of individuals; that would permit a new conscience of oneself and others; that would produce greater critical understanding and a less crude awareness of the relationship between the sphere of feelings and sexual relationships.

In the second place, we want to affirm a relationship between men, nature and science that would not sacrifice nature in the name of progress and that would not renounce it in the name of protection of the environment. We fight for a new ecological balance, for a system based on the growth of knowledge of the individual, on respect for natural processes, on the peaceful and nonviolent application of scientific processes.

In the third place we want to affirm a connection between individualism and collectivism based on self-determination, on the individual awareness of collective factors, and on respect and collective tutelage of the individual.

30. Today, especially, we advance two priorities in this struggle of ideas that relate to phenomena of the physical and psychological destruction of the individual and of every form of social intercourse: the struggle against heroin and heavy drugs and that against the Mafia, the underworld and all forms of organized crime. Both of these are phenomena that kill, annihilate, oppress many young people, and make society odious and unbearable; it is a matter of developing specific militant acts, but also of making clear that it is possible to put an end to this daily blackmail.

The ideas of a freer man and a more human, tolerant, supportive, humanity, can give strength to a new ethical drive: not in the pursuit of certainties and myths, but in a search, in a mass tension, that would begin with daily problems and, in lay forms, would be capable of thinking of world problems.

## VII. Youth and the New Socialism

31. For all the reasons so far stated, the question of socialism is not an abstractly motivated choice but a true necessity determined by the characteristics of the crisis of the West and of the world if we want to avoid widespread suffering for immense masses of women and men and if we want to advance toward a more just and more human society.

In fact, the response given by the large monopolistic concentrations, the United States administration, and broad sectors of the ruling classes, to the present crises and contradictions is a revival of a policy of economic rape, domination and imperialism practiced against the poorer nations. Central and South America are paying the highest prices for this attempt.

For young communists, a decisive challenge has appeared within the passage of an epoch: that is, how to revitalize new ideas of change and socialism among the youth; how to do what is necessary to make this the generation that marks the opening of a new phase. That is why we have spoken about the struggle for a new socialism. The need for a new socialism has become even clearer following the tragic events of Poland. In Poland, in fact, in the name of socialism, the fundamental rights of youth, of the working class and of the Polish people have been trampled underfoot. The young Italian communists demand that civil and democratic freedoms be reestablished in Poland, that all political prisoners be released, and that there be opened at the same time an effective process of democratic renewal that would comprehend the fundamental forces of the nation.

32. From August 1980 to 13 December 1981 we looked with hope to the process of renewal that had opened in Poland. In the struggle of the Polish workers and youth there was not merely the sign of a profound split between the people and the leaders of the state and of the party, but the criticism of a state based on the delegation of powers that were blocked, an organization of the economy that did not guarantee worker participation, of institutions that prevent the spread of political freedom and democracy. This situation was born out of the profound crisis being traversed by Poland (and other nations of the East) to which the Communist Party and the government have not known how to respond.

#### To Increase FGCI Membership

We have never hidden certain extremist and adventurist impulses, but they cannot and could not ever obfuscate the positive character of the processes that have been started in Poland, and of the role of Solidarity.

Our hope referred to the possibility that the renewal could immediately open a new phase in this nation and later, certainly in different ways, throughout the nations of Eastern Europe. On 13 December a blow was struck for this hope and for the very idea of socialism. For this reason our more courageous search must be directed toward the very forms and nature of the nations of the East.

33. In the nations in which the bases were established for the premises of a socialist society, negative reversals halted the socialist process. Our position does not mean to liquidate, as others would like, the October Revolution, the value of that historical rupture, nor the more significant economic and social conquests. These experiences in a socialist direction, however, crystallized, they lost their dynamic potential and are unable to respond to the new questions that come from society.

There has been an impoverishment of the idea of socialism in the Warsaw Pact nations: It has been reduced to a model or a dogma. Thus there is an affirmation of the logic of the "socialist camp" as the exportation of an economic,

military, political model. This logic was used to justify the events in Afghanistan and in Poland.

We reject that concept. On the contrary, it is necessary to affirm a new pluralistic idea of movements of change, even giving due importance to the choice of nonalignment with relations among equals between the individual forces of the European Democratic Workers Union--of every orientation and aspiration--of peoples in the Third World in struggles for liberation, of nonaligned nations: In short, among all the democratic and progressive forces of every continent.

Thus we put the accent on the need for "democratic reform" in the nations of the East, according to the road that the people of each nation must be able to freely choose.

The social model of the nations of the Eastern Bloc shows that it is incapable of giving an overall reply to the problems of a new international economic order, also because the leaders of those nations underestimate the question of the struggle against underdevelopment. A positive process of renewal must recognize the complete change in the picture of international relations between states and peoples; permit the beginning of a process of reform of the organization of power and of the state; open a process of economic renewal based on effective worker and popular participation in planning, in the administration, and in the aims of productive development; to broaden the sphere of individual liberties and of democratic life; to do away with the identification between party and state.

34. The question of the new socialism directly influences the social-democratic experience of government.

Since it has not weakened the mechanisms of capitalist accumulation, it does not succeed in defending the same elements of innovation gained in recent decades on the social plane. The rise of phenomena of mass unemployment and neglect testify to this profound crisis. All this has been demonstrated also by the self-critical reflection of decisive sectors of European social democracy and by the new attempts made by the experiences of Mitterrand in France and of Papandreu in Greece. All this was born out of the need for third road and a new socialism.

The building of socialism should be considered as an historical problem in a constant state of becoming, and not as an ideological plan. In this process a mechanical identification between socialization and state control of the means of production is not possible. In the organization of the "associated producers" referred to by Marx and Engels there must be an affirmation of systems of worker participation, of self-administration and self-organization of producers designed to eliminate the distance between the "governors" and the "governed." It is therefore not a flat collectivism that would annul individuality, but a creation of space for individual initiative and therefore a new connection between planning and the market. This road can go very far, to the very end of capitalist oppression of man by man.

In the second place, individual and collective freedoms, systems of participation, political democracy in all its aspects must develop. It is necessary to build a socialism seen as a system of social relationships which, through the cessation of capitalist exploitation, would offer each person the objective conditions to work out their own choices of life as freely as possible.

A social organization, therefore [must be] based on lay values and aims that would be the opposite of individualism and egoism used to affirm an idea of freedom as mere "freedom of consumption;" on an equality that would recognize the importance of (and not annul) specific individuality; on social and individual solidarity--through self-administered associative systems--to permit development of a new "quality" based on man, on respect for his life and his rights in every part of the world.

The affirmation of a new socialism is the condition necessary to avoid dispersion of the patrimony of progress of recent centuries within and outside Europe.

We refer to the patrimony of the 19th and 20th Centuries, two centuries marked by great cultural, social and political upheavals.

#### VIII. Characteristics, Objectives and Structure of the FGCI

35. From the ongoing processes in Italian society and from the new tasks derived from them for the forces of progress, is born the need to strengthen the political and cultural revitalization of the FGCI.

We want to be the organization that struggles to improve the living conditions of youth, to establish a link between the needs of this generation with culture and with the politics of the workers movement, contributing to its renewal in order to advance research and the struggle for a new socialism.

The choice upon which we want to commit all our forces is that of the construction of a new unified and democratic aggregation of youth: Within this grand process is the affirmation of our role as a political organization capable of obtaining consensus and expressing hegemony, and cultural and ideological independence.

Therefore we point to a future that contains noteworthy points of difference in the choices we made in the 21st Congress held at Florence in 1968. This does not mean to not recognize the positive aspects of that discussion, of those choices. The awareness of the spread of political consciousness is important and it must be maintained. In regard to the choices of the 21st Congress we want to advance two considerations:

a. We believe it is necessary to overcome certain juvenile elements present in that analysis. Use of the slogan "let us adhere to all the expressions of the world of youth" indicates a problem worthy of consideration (that of a strong resumption of the mass ties of the FGCI with all the sectors of youth, even the most neglected) but it has created within us the conviction that it would be necessary to accept all impulses coming from the world of youth and therefore has weakened the importance of subjective aid.

We are aware that today there is a conflict that also is going on within the ranks of young generations and it is therefore necessary to fight a hard political-ideological battle among the new generations.

b. In the elaboration of the 21st Congress there was present a vice of integralism, so that all forms of expression of youth protagonism had to be expressed within the FGCI.

36. On the contrary, today we are convinced that not everything can be organized within the FGCI.

In order to do this it would be necessary to develop the planning abilities of the FGCI, its initiatives and its mass policies. As militant as it might be, it is not sufficient to have a small organization of cadres.

In the relationships with the youth movement our choice is clear: We want to commit the totality of our forces in order to give them life and strength, to make a decisive contribution for the development of independent forms of organization of youth.

It is the task of the FGCI to provide contacts between these independent groups and the workers' movement, democracy, and the themes of change. The role for which we propose ourselves as candidates is not one of mediation between the youth and the workers' movement: We demand our own independent and subjective role; we affirm our own political, cultural and ideological identity.

Strengthened by this political and cultural independence, we reject the role of pure and simple youth loudspeaker.

In the meantime, we want to contribute to the political and cultural efforts of the working movement; we know we have an important role in the process of party renewal. It seems to us, after all, to be led astray by a discussion among ourselves on how "open" or "closed" we are: We must not forget that in our history we have been really open to the relationship with others precisely when we made our identity clear. It is above all when there is confusion concerning our basic motivations, concerning our "reason for being" that there are strong risks of sectarian reversals, of withdrawing within ourselves.

37. Membership in the FGCI is not based on ideological assumptions. But on agreement with the proposals, the initiatives, the struggles, the ideals, the aims of young communists.

The proposals made so far also define the general characteristics to which our organization must adhere.

--The FGCI must contribute to the affirmation of a new generation that fights for socialism in the West and peace in the world.

--The FGCI must conduct an open, explicit and militant battle in defense of the interests of youth, returning to the leadership of the struggles, paying more attention to what is moving in society, and developing a broad unified political policy.

--The FGCI fights to affirm the prospect of a democratic alternative in Italy and so that movements of youth contribute to it in a decisive way.

For these reasons it is necessary to attract new members to the FGCI. It is the task of the organization to take steps so that this membership will be translated into an active, militant contribution. Within ourselves we must reevaluate the idea that with the mere initial act of membership, one does not only

adhere to the line and proposals of the FGIC, but that action is taken to advance these responses and this line and that they will increasingly correspond to the interests of the youth and to the need for change. Specifically, the role of political vanguard to which the current conflict calls us demands the development of an FGCI mass membership drive. It is within this framework that we must deal with the problem of militancy. To affirm our diversity would mean to fully develop internal democracy, fight against any form of personalization and career ambition, fight the risks of bureaucratic hardening of the arteries. On the level of democratic rights we must recognize the militancy of our cadres and of our members in the independent movements and associations.

Importance must be given, as a specific and original contribution to the life of our organization, to the commitment, even in specific ways, to expertise and specialization so strongly present in some sectors of the intellectual youth. A more elastic view also is needed of the choice of organizational staff. This choice--on pain of failure of availability by the fundamental forces of the organization--cannot become synonymous with the renunciation of either a job in society, or the completion of studies. In this sense, we can develop systems of a half-time officialdom. A systematic rotation of posts of responsibility could be particularly important. In order to do all this we must increase our commitment to developing our own full financial independence. This is not a marginal question; we will not in fact be able to fully carry out our role of political organization of the youth if we are not able to finance ourselves, to provide for ourselves, and to give means and instruments to our initiative. This is a question that directly affects our culture, our way of working, our image. In this framework, we note the need for redefinition in new terms also of our independence from the party, as we have conceived and practiced this.

38. There is no doubt that in recent years a minority spirit has developed within the FGCI: We contest an erroneous idea of independence understood as making claims against the party. This has produced a dangerous separateness, above all on the level of the rank and file and particularly among the local circles and sections.

This situation must be promptly corrected in an attempt to further clarify the value we give to our independence. The line of independence of the FGCI must increasingly be understood as the choice that best permits our organization to contribute to the renewal of the communist line, making it measure up to what is new in youth reality.

6034  
CSO: 3104/155

POLITICAL

ITALY

BRIEFS

ROMANIAN COMMUNISTS SEE PCI AIDES--Rome--Comrade Virgil Cazacu, member of the Romanian Communist Party [RCP] Political Executive Committee and RCP secretary for foreign relations, and Comrade (Balau) Radu, first secretary of the Hunedoara RCP County Committee, met yesterday at PCI Directorate headquarters with Comrade Gian Carlo Pajetta, PCI Directorate member and international department chief, and Antonio Rubbi, Central Committee member and foreign section chief. During the cordial conversation there was a broad exchange of information on the situation in the respective countries and of information and opinions on the international situation. Particular emphasis was placed on the need to work, in cooperation with all peace-loving forces, against the disastrous race toward ever newer kinds of weapons and against the unresolved hotbeds of tension and conflicts in so many areas of the world; for effective disarmament measures and measures to relax international tension, and for the negotiated political solution of current conflicts, within full respect for every country's independence and for every people's autonomous options. During the conversation the desire to develop further the already good and constructive PCI-RCP relations was expressed. [Text] [PM140909 Venice L'UNITA in Italian 30 Mar 82 p 14]

CSO: 3104/173

## JOURNAL HITS ACTIONS OF INTERCHURCH PEACE COUNCIL

The Hague ONS LEGER in Dutch Mar 82 pp 79-85

[Final article in a series about the IKV (Interchurch Peace Council) by K.A. Keuning: "The False Enemy of the Interchurch Peace Council"]

[Excerpt] "A people which yields to tyrants will lose more than life and goods, for then the light goes dim."  
H.M. Van Randwijk

Sacharov, Galileo and . . . Tromp

In the foregoing articles (see ONS LEGER January, February, March, June and September 1981) I tried to throw some light on the IKV, its leaders and its followers. The fact that in doing so I have argued ad hominem is not because such are the tactics of the IKV (Reagan, Luns, Van Agt, Haig) but because that is unavoidable in an attempt to expose the underlying motives of the IKV leadership and at the same time to warn against the actual goals of those leaders. In this last article, as I reported earlier, I want to quote a few statements from several dissidents, as well.

It will not surprise any reader if I do not include in this Captain M. Sedert, who praised himself in a booklet as "Meindert Stelling, a Dissident in the Free West."

I know Mr Stelling well enough from his statements not to need to read that booklet. True, it is a sad thing when a man who is, as I have pointed out before, lacking in any form of civic courage, permits himself the term "dissident," literally: "one who thinks differently," but in the accepted sense in common use someone who dares to think differently under a totalitarian regime than in the manner prescribed for him to think by the regime, all with the sure knowledge that he is thereby placing his liberty, his family, his health, his goods and his job in the balance thereby.

In this connection, I will not hide a few statements by Prof H.W. Tromp from you, about whom I have already reported to you. This Prof Tromp has allowed himself to state in an interview that he thinks that in the event of a Russian occupation that he would "be a dissident from the beginning. People who try to think independently are the greatest threat to any totalitarian system. You see that in the case of Sacharov and earlier Galileo."

Truly, it is not bad if you can proclaim yourself a hero. Many heroes of the resistance in World War II will not dare to say for certain of themselves that they would have the courage to go into the resistance again.

In his boundless overestimation of himself, Prof Tromp has no notion of what character traits are the least prerequisites for that. Further, it obviously escapes him that in the case of a Soviet occupation many in this country are convinced that he would belong to a completely different group.

The professor mentioned above holds a high chair in and directs the polemological institute of the State University at Groningen. In the NRC [NIEUWE ROTTERDAMSE COURANT HANDELSBLAD] of 3 Sep 81 it was said: "This Professor Tromp, for instance, can be seen to be entirely lacking in a faculty, he is a professor of an opinion." If this definition appears at first to be a bit sharp, one must agree with the commentator after becoming acquainted with Prof Tromp's publications. One might expect a polemologist (one whose occupation is the science of warfare) to have a broad knowledge of history, and certainly of the history of wars. Now, in the interview mentioned earlier, Prof Tromp says the following, among other things: "They (the Soviets) voluntarily returned entire sections of West Germany to the allies. They had conquered all of Berlin, but then cleared out of West Berlin.

Anyone who is at all familiar with the history of WW II knows that with the exception of part of Berlin, the Soviets have not returned any territories to the allies. The opposite happened: the allies surrendered territories which they had conquered (the line reached by the United States ran from Weimar via Torgau to Chemnitz) to the Soviets.

One asks oneself whether ignorance is really at play here, or bad faith. After all, the intent of Prof Tromp was as usual: suggest, that the two big powers are really identical, with the same evil characteristics: need for power, both economic and political, territorial expansion, armament, etc; suggest, then, that the Americans here are in fact the boss, further suggest then that at least the Soviets are still guided by an ideology; report in passing that the Soviets lost 22 million people in WW II and that not a single roofing tile was lost in the United States, and leave out any reference to the totalitarian aspects of the Soviet regime, and admit, but only if asked, that not everything is wonderful in the Soviet Union, naturally, but that in the USA there are the negroes, the homosexuals, the Puerto Ricans, the K.K.K. . . . and the seed is sown. (My imagination is not so extreme as to invent these examples.)

If it can further be said of Prof Tromp that in a debate with General Berkhof, he had to be told by the general that George Orwell did not write his "1984" in the 1930s (as the professor had carelessly let slip) but in 1948, then doubts as to the historical knowledge and insight of Professor Tromp is justified.

#### The Rapid Decisionmaking Process of the IKV

When one states his opinion of the IKV, that is based on statements of those highly placed in that organization like Dr Ter Veer, Dr Faber, Prof Tromp,

General Von Meyenfeldt (ret.) and other like them. Use is also made of statements to the "basis," that is to say, positions taken by the chapter (cell) leaders.

The IKV is lacking in a democratic structure. One will seek congresses, general assemblies and the like in vain. It is perhaps not accidental that the whole thing resembles the democratic centralism of the CPN [Communist Party of the Netherlands], so that both from the summit and the basis statements can be made and are made without democratic control which indicate on the one hand almost uncritical acceptance of the positions of the Soviet Union and on the other a fanatical anti-Americanism. I shall return to this later.

This structure brings with it the fact that both from the root and at the top statements are made which are not--and cannot be--checked against resolutions reached openly and publicly. Therefore it is difficult to understand how so many Dutch churches, which have a representative in the IKV, can be satisfied with a decisionmaking process like the one practiced there.

If the quick reaction on numbers of events is taken into account, it can be concluded that the making of decisions comes to pass in a very small committee, if indeed there is any consultation at all.

Therefore it is all the more remarkable that there was no speedy reaction to the sad events of 13 December 1981 in Poland, "Black Sunday." Not until 22 January did Dr M.J. Faber offer a comment on the absence of reactions from the IKV to the night that had fallen on Poland, to the reopened concentration camps, to the shooting down of strikers including Solidarity members by Polish security troops, in short, to the most serious conceivable offenses against human rights.

Dr M.J. Faber's explanation of that absence of an IKV reaction is as follows: "But may we not work out our consternation concerning the events of 13 December 1981 in Poland in our own way? Is no period of mourning to be permitted us when a natural ally--for that is how we perceived Solidarity--is eliminated?" Apart from this improbable argument, I should like to point out the following:

The IKV has now quite obviously co-opted Solidarity as being "a natural ally." It is not known to me that Solidarity ever in the previous 18 months had announced itself to be an ally of the IKV. But Dr Faber knows: "There came signs from Poland that indicated that the political transfer of power which Solidarity supported might be considered to be an extension of the changes which striven for by the peace movement."

Unfortunately there is no one left to speak against this audacity. According to Dr Faber, on 21 November 1981 (the day of a gigantic demonstration in Amsterdam) a member of Solidarity stated on television that Walesa would certainly have announced himself to be in solidarity with the anti-atomic weapons demonstration. Walesa, who is now under arrest, but who has shown himself to have more feeling for democracy in his little finger than the IKV

has in both hands, would certainly have consulted with his congress in a case like this. Furthermore, Dr Faber does not report that immediately after 13 December, a Pole who happened to be present stated quite emphatically that the Polish people would find it hard to understand if the West were to renounce atomic weapons unilaterally. Dr Faber, who was also present, was silent!

#### Anti-Americanism

Another example of the way the IKV tries to co-opt other movement: At the end of last year, a signature drive was started on behalf of the Jews in the Soviet Union. Dr M.J. Faber was noted in the press as one of the first signatories. Now it ought to be understood that the IKV, in its publications, always and still tries to arouse sentiment for the Soviet Union, among other means by pointing out that the actions of the Soviet Union are reactions to actions of the West and particularly of the United States. The IKV never voluntarily calls attention to dissidents, to political persecution, to racism or to other violations of human rights in the Soviet Union. Only if forced to it does the IKV present its obligatory statement that not everything is in order in the Soviet Union. But now that an item had reached the agenda which was supported by so many such as the support for Soviet Jews, Dr Faber decided that he could not be seen to be behindhand publicly. It would be to be hoped that this would be the first step for Dr Faber and his crowd on the path to recognition that the Soviet Union, because of its totalitarian system and the continuous violations of human rights proceeding from it, cannot be equated with the United States.

That, in turn, could lead to the recognition that a pistol in the hands of a police officer does not pose the same threat as a pistol in the hands of a criminal. Carrying this comparison further: atomic weapons in the hands of a government like that of the United States, which is ultimately controlled by Congress and the press, do not pose the same threat as atomic weapons in the hands of a totalitarian regime which is not subject to control in any form at all. The consequences of that might well be that the IKC would then have to give up its current slogan and its scarcely concealed anti-Americanism and would have to decide upon the organization of opposition to atomic weapons no matter which side had them.

That anti-Americanism has also sent roots into the Federal Republic of Germany, at least on the evidence of a statement by theologian Dorothee Soelle in the *KIRCHENTAG* in June, 1981: "Why does America need arms? In order to ensure its world domination and control of raw materials. This armament is the greatest threat to the poor that can be conceived, NATO is our oppressor. We must liberate ourselves from it. . . ."

Dr Faber expresses his anti-Americanism in more cautious words by writing in *ZEIT UND NEDERLAND* that it is time to place the principle on the agenda that the Americans ought to depart from Europe just as the Soviets ought to leave East Europe. "If West Europe makes it clear to the United States that it (the United States) does not belong here, then you can tell the Soviet Union justly and correctly that it does not belong in the East European countries." If it is all too possibly a simpler man, this position could be attributed to the

childish tendency to believe the best. When it is posed by Dr Faber, one knows that it is based on completely different considerations.

It is to this framework of anti-Americanism that the action undertaken against the American munitions trains by the IKV peace workgroup in Hefshuizen (Groningen) belongs. The first initiatives had been taken by the communist "People's Congress" in East Groningen, but it intentionally turned it over to the peace movement.

In VRIJ NEDERLAND of 7 November 1981, Tamar sharply exposed this anti-Americanism: ". . . the emotion inspiring the marchers of the IKV is anti-Americanism. Thus, it is not the SS-20, which the Soviets deployed in the years of 'detente,' but the 572 cruise rockets, which NATO wants to deploy to face them, that suddenly sets our people marching."

Tamar speaks of "submission behavior. In Europe, this is quite common. Before the war, you had it with respect to Germany. Now you have it after 35 years of fat peace, with respect to the Soviet Union. . . . We turn a bold face to America (which we do not fear) and are submissive to the Soviet Union. We hope to mollify the Soviets if they come anyway. . . . In front of the (Soviets) we roll on our backs like threatened animals, to show them our harmlessness. . . . On the basis of nothing more than pious hope, panic spreading and the urge to play some role again, church leaders are representing themselves as the strategists of unilateral disarmament."

In contrast to that, I set the remarks of Dr E. Van Thijn, the minister of internal affairs, during the answering of questions, posed in accordance with Article 107 of the Rules of Order of the Second Chamber. The reader ought to remember that under this rule, the first questioner has the opportunity to present a few remarks along with his question. Other Chamber members can each only ask one question, without remarks. The minister does get the opportunity for detailed remarks. In this case, this meant that the minister could safely say that "the IKV. . . had repeatedly been put in a bad light, without a shred of evidence." Thus, to answer the question of PSP [Reformed Political Federation]) had succeeded in reaching his goal, that is, to absolve the IKV of all blame, the minister could say, without being attacked immediately, "I share the opinion of Mr Van Der Spek.

In a regular debate, the untenability of this position of the Minister would have been exposed immediately. One need only--see also my earlier articles--point out the ties with communist front organizations, the contacts with religious leaders who are regarded in their own oppressed countries as traitors, the contacts with the CPN, Onkruid and the like, the remarkable relationship between the IKV and IKVOS [Interchurch Training Mission for Development Cooperation] etc.

POLITICAL

PORUGAL

EANES ATTACKED, URGED TO FORGO POLITICAL AMBITION

Lisbon O DIABO in Portuguese 2 Feb 82 p 2

[Editorial by Jose Miguel Judice: "But Will Ramalho Eanes Resign or Not?"]

[Text] Whether we like it or not, the issue of the resignation of the president of the republic will continue to be the inevitable subject of thousands of political analyses which the Portuguese are sure to make when they meet in small or large groups. As a mirror in which I will try to reflect the pulsations of the country's political life--occasionally, of course, with some sound national basis--this commentary cannot overlook that fact.

I am convinced that Ramalho Eanes is confined to his enigmatic silence after dramatically making his threat. I am convinced, as I have already said, that it would be most beneficial for the politician in question to immediately define and clarify, without deception or subterfuge, what he considers to be the minimum conditions for not resigning or, preferably, what he believes to be reasons for resigning. If he did so, he could escape the inevitable criticism that will ultimately not distinguish him in any way, except as a minor political development in general, from the political class governing or trying to govern us.

It is my opinion that political ethics presupposes and implies a reasonable degree of dissimulation, shrewdness, blackmail, artifice, "bluffing," distortion, scheming and even treachery. What I cannot tolerate is what Cato was in his time, someone who treats us as stupid citizens and thinks he can make us believe that he practices official quietism and discriminating self-restraint, as though he were someone from another planet, a "nonpolitician," a bacteriologically pure being capable of saving us because he is immune to the vices and contradictions of poor humans such as ourselves, as though he were God.

Jaime Nogueira Pinto has said, more than anyone else and with irreproachable lucidity, that between 1976 and 1982 the president of the republic can only be blamed, and I will say, with total political shamelessness, consider himself or be considered not responsible for the mistakes and ills which have brought this calamity upon us. On the contrary, this agrees with what is being said--if necessarily in contrast to the more or less general mindlessness and irresponsibility--that he is mainly responsible for our present situation, especially since it is not because, at the appropriate time, he did not have

the courage, ability, intelligence or perception (not to get into a discussion of political ethics) necessary to clarify situations and take risks.

Whatever the case, I believe that now most men and women who are able to develop a critical analysis in the political world will have no doubt that citizen Eanes is a politicain like any other, with particular faults and virtues, but that on the whole he is not brave enough to allow stones to be cast at himself. And for this I congratulate myself directly, because it was always my own opinion that I trusted politically, even in the remote past when I was misled by external signs, and which were nothing more than external signs.

And perhaps it is because of all this that I now find the Portuguese situation more satisfactory than before Joaquim Letria--who, with his straightforwardness, perhaps had no perception of what distinguishes a president's spokesman from a variety show host--revealed to us the views of his boss.

#### Ramalho Eanes Will Not Resign

However, the main issue is still unresolved. Will the deputies yield to pressure and accept the conditions of his revised government? Will a Third MFA [Armed Forces Movement] (read: Eanes)-Parties (read: 85 deputies) Agreement now provide national regions with a list of the changes to be made, similar to what happened with the Constituent Assembly? Will fear over the specter of a presidential party frighten some, encourage others who are eager for new "loyalties" and restrain a few others?

And if the deputies do not yield (read: if they do not compromise on the issue of military chiefs), will General Eanes submit his resignation? And if so, will he support a presidential candidate? And will this candidate win? And if he wins, will he agree to become a branch automatically controlled from "Madre de Deus, from Colombey-Les-Deux-Eglises, in keeping with the national farce?

I believe that, once again, General Eanes will miss his encounter with history should it knock at his door. Which presupposes that I am convinced, on one hand, that the deputies are not going to hide under their seats or be worried, staring at the doors of parliament with the expectation of seeing them swing open for the horses which helped to convince French members of parliament of the correctness of Napoleon's solution. On the other hand, I am also convinced that the president-general will not change his personality, i.e., that he will continue to waver, to the point of self-destruction, between messianic dreams of being the country's savior (which Cid caricatured in his wonderful "Superman"), and bourgeois presidential legalism patterned on an army officer who must leave the inventory of the regiment's materiel, right down to the last bullet, the same as it was when he arrived.

It thus follows that General Eanes will not resign, especially since his dinner and speech organizers are working diligently, with a great abundance of illustrative posters, tacks, diagrams, "articles," slogans, rich adjectives, etc., etc., to justify his inaction.

I am thus forced into drawing this conclusion after considering the principal aspects of Ramalho Eanes' temperament and his limitations. But everything could change, with another important aspect of his personality and pressure from his political friends playing a role in particular.

Unless ....

Ramalho Eanes is a high-strung man who is subject to a process of constant self-restraint, giving him an artificial air of calm and mental balance that is undoubtedly too great a strain on his internal makeup. On the other hand, General Eanes' behavior has revealed a psychological structure in which there is a profound difference between a dimension of physical courage--which has more to do with adrenaline than with moral fiber--demonstrated at various levels, and another dimension of moral courage, the courage which exists, emerges or remains after the human being's period of animal reaction has passed. It is this dimension in which he has revealed himself to be much weaker.

This means that Ramalho Eanes' process of acting is a process of basic reaction to stimuli, in which he is capable of achieving unexpected results and heights, and a process of inaction or asphyxiation with sclerotic and restricting contradictions, which characterizes his decision-making process whenever the circumstances or type of decision in question require him to employ time periods that are not excessively short.

Thus Ramalho Eanes is capable of a basic reaction in the sense of a refusal, but he does not appear on his own to be a man to coolly accept the risks of refusal, to use all his cards, to play all his trumps, to sacrifice an investment for a hypothetical result, even though it is very great. Men like Eanes do not launch into heroic exploits of discovery, although some instant heroes have been born from such men. They have their role to play and are sometimes remembered by the collective memory, but they do not manage to leave behind a wretched, faded sorrow when the vicissitudes of life and the currents of twilight hours transform them, most often against their initial will, into potential creators of the future.

But other factors must be considered, in particular the influence which a heteroclitic group of individuals has on Eanes. These individuals dissect everything with exceptional determination, which could be called demiurgical, to justify a deep conviction of their own potential, which is frustrated by the stifling feeling that the world around them is not giving them their due, that it does not permit them the affirmation which they believe is predestined, that it forces them into subordinate positions and to perform jobs which their egocentrism cannot tolerate.

There are men and women who generally have to go through a more or less long series of failures. For some, failure is the cloud accompanying them in every attempt, despite or perhaps because of the very favorable situations which they enjoy. For others, failure was the fear which they did not equate with their mechanical transfer from the business, cultural or other world to the different world of politics, with moving from projects in which they had

proven capable to projects in which only their mistakes, fantasies and sometimes megalomania were what they used daily to ruin a vital pursuit, and the fact that it would have been better not to have abandoned the areas in which success had smiled on them. For still others, failure was the bitter fruit which they tasted more than once in quenching a thirst for power based on insufficient foresight, in which opportunism was always as great as the disillusionment over the results of previous opportunism. Others--and many categories will not be mentioned--are the exploiters of good opportunities, which they actually never ruined because they always got more than they deserved, but they felt the failure of getting less than what they believed they were due.

The ambition of people of this type and their capacity for conflict, vengeance, rage in overcoming frustration and forgetting defeat are frightening. They are the unclassified and unclassifiable, the mutinous and the submissive, the failures and pseudoconquerors, a pitiless, bellicose army fighting for a place in the sun, always in the name of the best intentions, the most just demands, the most decent goals. In order not to be an epiphomenon of such people, in cases with a high concentration per square meter of presidential palace, a great deal of energy, conviction, consistency, intelligence and theoretical preparation would be required. It is not clear to me how all this could be found in Ramalho Eanes. So I do not see how he could resist all this if he wanted to. Therein, especially therein, the Eanist adventure could emerge, an adventure which, like a bright, vainglorious but inconsistent fire, would drown in new failures that would only be more disgusting because they would be on a national scale.

If Ramalho Eanes understands this and aids his basic personality, he will not resign. If he does understand this, if he does not resist, he will launch (in a moment of rage) into an adventure that will prove to be his undoing. We shall see.

11915  
CSO: 3101/21

POLITICAL

PORUGAL

#### LEFTIST POLITICAL FORCES SEEN AS SUBVERTING ARMED FORCES

Lisbon O DIABO in Portuguese 2 Feb 82 p 5

[Article by J. P.: "Eanism, Military Power and the Political Class"]

[Text] Now that the promotion of Captain Almeida e Costa to the rank of admiral, reported by O DIABO a week ago, has been made a priority of the Revolutionary Council's Meloantunist faction, another piece has been added to the Eanist puzzle in the military area, a puzzle which has been put together patiently since 7 December 1980 with the aim of placing men enjoying presidential trust in charge of the armed forces, men who can influence the crucial institution of Portuguese politics in favor of active or cooperative neutrality during the current neo-Mexicanization project, whose goals are the imposition of a model of internal "supervised democracy" and national neutralization, whether or not this is combined with peninsular neutralization.

#### Blindness of Politicians

Lost among the trees, politicians and analysts often overlook the forest. In an effort to reveal or explain a situation's development from a military-political standpoint, through basic dualisms such as military power-civilian power or merely in terms of personal motives and ambitions, they overlook major confrontational features and especially organized groups which have a strategic mission to accomplish and which constantly continue to gain ground.

Contrary to what has been said by Greeks and Trojans, such strategy currently requires the neutralization and purgation of the armed forces, which, in a presubversive stage, are the only real obstacle between the subversive revolutionary left and the government. Thus in a regrouping operation, an effort is being made to undermine, divide, factionalize, feudalize, corrupt, abuse, control and manipulate the Officer Corps and to challenge the work of rebuilding the military structure, which has been going on since 1976 with a view to eliminating some of the vices and damage caused by the MFA's [Armed Forces Movement] pretorianism in 1974-75 and the decolonization planned by the Lisbon political-military faction in the service of the Soviet Union.

#### Action Against Armed Forces

This recovery, a great deal of which is known to be due to anonymous members of the Officer Corps, who suffered most in 1974-75, resulted in an improvement

in the level of discipline and instruction and a return to the values of patriotism and order, but was nevertheless sabotaged in early 1981 for several reasons and in several ways:

- 1) Reintroduction of the standards of political favoritism in the case of promotions and especially in the appointment of high officers. Since then, in fact, men enjoying the personal confidence of President Eanes, such as Generals Melo Egidio and Garcia dos Santos, have occupied key posts in the military hierarchy, in which an effort is being made to establish a Belem pressure group.
- 2) This situation is even more serious since, through the placement of Eanist and Meloantunist pivots in the military structure, their faster ascendancy and the protectionism surrounding them, an effort is being made to attract as many officers as possible and to secure their active cooperation or neutrality, enticing them with the advantages which they would gain by throwing in their lot with this group, which says it is "destined to win."
- 3) Thus the Revolutionary Council was established, an aberrant and unnatural organ for controlling the armed forces and through which members with only a political-ideological background (and poor qualifications) judge the merits and qualifications of more competent and more senior officers while selectively policing advanced-training schools, in short exerting a powerful form of pressure on the military.
- 4) The media associated with the socialist and radical left has in turn tried to tarnish the armed forces' image, either by trying to make them develop a "guilt complex" over their operations in Africa between March 1961 and April 1974--when they properly carried out the defensive and progressive missions of territories and peoples--or, currently, by undermining discipline through the spread of insidious false rumors and slander about "repression" within the military and praising leftists and "conscientious objectors," describing the "persecution" of which they were the target during their military service by "fascist" officers who disagreed with the "spirit of April."
- 5) This same mood is apparent in the powerful campaign, orchestrated in Portugal and Europe by the KGB [Committee for State Security] and abetted by leftist media, to disarm the West and place it at the mercy of Soviet armies and weapons. The radical-pacifist clique--which "oddly" includes, in addition to all of the PC's [Communist Party] "traveling companions," an overwhelming majority of the supporters of militant Eanism--has indeed achieved some of its goals at the level of public opinion.
- 6) Thus the PC's clandestine apparatus in the armed and militarized forces has never ceased to exist and has recently made an effort to grow stronger by attempting to gain admission to competitive examinations for the academies, the PSP [Public Security Police] and GNR [Republican National Guard], and by having its militants enlist for military service (who make no conscientious objection, but rather try to infiltrate the institution in order to gain traction....).

Are AD [Democratic Alliance] Leaders Allies of Eanist Goals

The higher coordination and direction of the many apices of these actions are carried out from outside, but their executors, or rather their connecting pivots, are individuals from the pretorian military era, whose ties and obligations to the international Soviet network are not through the PC, but are camouflaged in the KGB's various alternating front organizations, appearing to the general public as "unorthodox Marxists" and not Leninists.

8) Most AD and PS [Socialist Party] leaders have "combated" this plan with ignorance or "objective complicity," which has been most ineffectual and has only resulted in strengthening it. First, in the case of the ridiculous military-civilian confrontation, when they swallowed the bait of the PC and, like Sousa Tavares, attacked the military as a whole, an institution which has nothing to do with Eanism. Then, when they were stricken with basic leftist complexes--besides being ridiculous, the case of Helena Roseta on the Council of Europe, requesting the expulsion of Turkey, is a very sad example of the pharisaism of progressive (?) "good judgment," which has also been criticized by NATO Secretary-General Joseph Luns, the kind of good judgment which compares Turkey to Poland and El Salvador to Afghanistan in a bizarre combination of ideas and concepts, mixed with ignorance and common demagoguery.

Finally, through historical comparisons whose assumptions and bases are erroneous and which also only favor the enemy. The fact than an eminent AD leader, who is also a university professor, compared the dark conspiracy of an individual associated or allied with the goal of internationalistic communist forces to the highly patriotic and popular Sidonist movement and drew a parallel between Belem's shadowy, mediocre tenant and the charismatic and admirable president-king whom the Portuguese people loved and mourned as a messiah, is so unfortunate, regrettable and terrible that we can only conclude that if General Eanes does not achieve his goals, it will not be because his so-called political enemies are not making a reasonable and generous effort every day to transform him, in the eyes of the people, into this "providential savior" which he presumes to be and is not.

01910  
CGO: 300121

## PCE ORGAN SUMMARIZES SIXTH PSUC CONGRESS

Madrid MUNDO OBRERO in Spanish 26 Mar-1 Apr 82 pp 8-11

[Article by Manuel Torres: "A Single Policy for the Future"]

[Text] While Barcelona, like the other Spanish cities, was pouring out on this San Jose bridge, the Catalonian Communists, the Unified Socialist Party of Catalonia [PSUC], was holding its Sixth Congress; a congress which had to be one marked by consistency, after the conflicting results of the previous congress, and a subsequent conference which represented the recovery of Eurocommunism on the part of the PSUC. This Sixth Congress has, without question, fully ratified the results of the conference, with a political debate concentrated on four fundamental points: the struggle for peace and disarmament, the current Spanish political situation, the need for a popular Catalonian movement typified by unity of the left; and the need to devise an independent revolutionary strategy of the broad majority, which is the mark of the Eurocommunist strategy. In all these areas, the PSUC Congress has been typified by the most extensive agreement and lack of tension, tension which was, nevertheless, in evidence when it was time to elect the new Central Committee. The lack of agreement on the part of the Candidacy Commission extended this congress, which had otherwise largely fulfilled all the rest of its goals, even insofar as the timetable was concerned, until the wee hours of Sunday morning. With the congress ended, the Catalonian Communists are again headed by Gregorio Lopez Raimundo, and they also returned Antoni Gutierrez Diaz to the post of secretary general.

From the outset, the opening day of this Sixth PSUC Congress was to indicate what would be one of its constant features: an overall agreement on giving the PSUC a collective policy toward Catalonian society, and toward Spanish society in general; and also satisfaction at rediscovering what has been one of the Catalonian Communists' typical lines for many years: the autonomous formation of a European unit, in conjunction with the entire Spanish Communist Party [PCE].

The PSUC was widely represented at this congress, with its president, Dolores Ibarruri, who was heavily applauded on this opening day, and including the secretary general, Santiago Carrillo, and the vice-secretaries general, Nicolas Gutierrez and Irene Ballesteros, the latter of whom arrived on the final day, an ex-secretary general of the PCA [Communist Party of Andalucia], Felipe Alcaraz.

Also present were delegations from the Communist Parties of Italy and Cuba, together with representatives of Nicaragua and of the Salvadoran guerrillas; and, in addition, representatives of the UJCE [Spanish Communist Youth Union] and the Catalonian Communist Youth, the Communist League of Slovenia, and the Communist Parties of Chile and Uruguay, along with the Catalonian political forces: PSC [Socialist Party of Catalonia], CDC [Democratic Convergence of Catalonia] and ERC [Republican Left of Catalonia].

As is customary on this first day, the first action was the establishment of the chair which would direct the congress, as well as the approval of the regulations whereby this Sixth Congress, of a special nature, would be governed. The chair was comprised of 23 persons, 13 of whom were affiliated with the various delegations present at this congress (one per delegation), five members of the outgoing Central Committee (Gregorio Lopez Raimundo, Antoni Gutierrez Diaz, Eulalia Vintro, Josep Cervera and Napoleo Figuerola), four members of the Executive Committee (Paco Frutos, Jose Maria Rodriguez Rovira, Josep Maria Clariana and Rafael Ribo), and Jose Bonifaci, as an honorary member of the Central Committee.

Moreover, 797 votes in favor, nine against and 10 abstentions gave approval for the regulations of this congress, which were submitted to the congress members by the political secretary for Barcelona, Antoni Lucchetti.

#### The Struggle for Peace

On this first day, the outgoing secretary general, Paco Frutos, presented the report of the outgoing Central Committee, a report divided into four points on which the Catalonian Communists' political debate would focus.

The first part of this report related to "the struggle for peace, work and progress," and in it, after giving a brief review of the state of poverty in the third world and citing the heightening of the present cold war situation, Paco Frutos underscored the importance of the peace initiatives of the European progressive forces.

Subsequently, the outgoing Central Committee's report focused on the situation in Latin America, mentioning particularly the assassinations committed in Guatemala and in Nicaragua before the fall of Somoza, the "missing persons" in Chile, Argentina, Uruguay, Paraguay, Bolivia, etc. With regard to El Salvador, the secretary general, after commenting on the situation which already exists, discussed the campaign of solidarity carried out by the Spanish Communists:

The Party, which has been engaged in an intensive campaign of solidarity with El Salvador, pledges at this congress to expend all resources in the defense of the president of Salvador. In view of the threat of U.S. intervention against the People's Government against the people of Nicaragua, and the imperialists' support for the military junta, the party must reinforce the Spanish campaign of solidarity with the seriousness of the situation in Central America, against the imperialist intervention and in solidarity with the national salvation of El Salvador, Nicaragua and Honduras. We must support all initiatives which are in favor of a cessation of the civil war being exercised by El Salvador, and to exert pressure on the United States and the military junta, in order to do everything within our power in this respect to demand and press in

the Congress of Deputies, and promoting initiatives such as the one carried out recently by the PCE, involving a week of solidarity with El Salvador."

Subsequently, the Central Committee's report discussed the pressure imposed by the U.S. on the European countries, at an obvious time of overall retrogression of the mass struggle; against which there was a need for unity among all sectors of the working class on behalf of a group of objectives: the struggle against unemployment, combining this social action with the struggle for peace and disarmament; the search for new solidary relations between the European working class and the peoples of the Third World; the defense of democracy and human rights; and an effort to prevent the policy of blocs from serving as a factor for distortion.

#### Poland

A separate chapter in this section on "the struggle for peace, work and progress" was devoted to the events in Poland. In this regard, Paco Frutos began by saying: "To assume a position of unequivocal condemnation for the military coup in Poland is essential to the credibility of socialism among the working class of the capitalist countries; to the struggle for peace, disarmament and the easing of tensions; and to the unity of the left and the progressive forces. It is essential to the very possibility of constructing socialism in nations such as Poland and the other nations of Eastern Europe where there was a break with the capitalist system 37 years ago, from the standpoint of terminating the private appropriation of the principal means of production; and it is essential to the consolidation of the movement of nonaligned countries, a fundamental force for the national and social liberation of peoples."

Paco Frutos later cited the criticism made of the Warsaw Pact intervention in Czechoslovakia and the USSR's intervention in Afghanistan, noting that the condemnation of the military coup in Poland had not prompted the PSUC to give up its communist identity, which had a decisive reference point in the October Revolution.

However, the report continued, it was impossible to discredit the working class, describing it as rash, or to close one's eyes to the phenomena of corruption affecting the leaders of the PZPR [Polish United Workers Party] and the Polish state, simultaneous with the lack of understanding on the part of that country's leaders of the role of the Polish church as an agglutinating factor in the Polish national consciousness throughout its history.

Finally, after analyzing the retrogression that has occurred in the USSR since the Congress of the CPSU [Communist Party of the Soviet Union], the resolution stated: "The CPSU which has valued and still values the positive aspects of the parties with a socialist orientation, cannot, therefore, approve of initiatives such as those in Poland, which have negative repercussions within the capitalist countries and represent a serious compromising of the ideals of socialism and communism. Our criticism is based on the conviction that socialism is possible if it is not based on the political hegemony of the forces of labor for culture, that socialism is impossible without democratic participation by the workers and citizens through their organizations and that socialism and communism must be realized within the working class."

### The Spanish Situation

Paco Frutos depicted the Spanish political situation essentially from three standpoints: subordination to the U.S. economic policy; request for entry into NATO, one of the main actions related to lending Spanish political life a right wing direction; and the formation of the political and economic "great right."

Understandably, an analysis of the events of 23-F could not be lacking, and the Central Committee's report made it in the following terms: "23 February proved that there was still a long road yet to be covered in order to affirm democracy. The crisis and the unemployment, terrorism, the economic setback, the failure to democratize the state apparatus, the inconsistencies and contradictions in the autonomy process and the crisis of UCD [Democratic Center Union] as a government party had produced the favorable grounds for the coup attempts. Now, the coup plotters are being tried. That is an important step, which we considered difficult previously. Now, we shall observe the course of the trial and the sentences; because, in addition to being a 'test' for the consolidation of democracy and for the elimination of fear, which is still a reality in many locations, the latter must represent a clearcut subordination of the military to the civilian authority."

After recalling that the PSUC's Fifth Congress had underestimated the danger of a coup, it gave a reminder that, before 25-F, the Spanish Communists had requested a government wherein the working class would have representation, a proposition that was shared by the PSOE (Spanish Socialist Workers Party) after the rash coup attempt. However, the outgoing secretary general declared, the Calvo-Sotelo government has made a democratic accord impossible, and has been imposing its conservative will, with a position into which the PSOE has also entered: "In many respects, the PSOE has entered this game with a position that we do not consider correct. The fear of destabilization (an overly manipulated argument with which the PSOE has attempted to justify itself) could be the quickest route to destabilization; because it does not deter the conservative propsects of the right government, on the other hand, it paralyzes and downgrades the image of the left in the eyes of the working class and the popular sectors. Only a political and social force that is responsible but forceful will create the conditions for a stable government; the right, will reinforce the civilian authority and will not be able to carry out the indispensable social and economic planned, through its social base, which, after all, are adopted and upheld by the masses."

After commenting on the offensive waged by the CEOE [Spanish Confederation of Business Organizations] against the ANE, Paco Frutos analyzed the business owners' offensive against social security, with the intention of making it private; and stipulated the goals to be attained in five points: appeal for a political and labor accord of the left against the offensive of the UCD government and the CEOE; initiatives for an authentic transformation of the state apparatuses; refusal of the LOAPA [Organic Law on Harmonization of the Autonomous Process], and continuation of the political action for the construction of an autonomous policy that will make it possible to build a democratic Spain; constant political action on behalf of peace and disarmament; and unity of the left as an indispensable element for the creation of extensive democratic unity and unity of progress.

#### On Behalf of a Popular Catalonianism

The outgoing Central Committee's report analyzed the political situation in Catalonia in its third point, describing it as follows:

"Jordi Pujol's government has closed its eyes to the phenomena that are occurring in the areas of Catalonia which are hardest hit by unemployment: the creation of 'ghettos' of economic, social, political and moral poverty; the disintegration of the Catalonian community, with the advent of alienating phenomena involving radicalization in the direction of ultra-left or ultra-right proposals (a radicalization of minority sectors which is reflected in the nervousness and frustration of more extensive groups); a greater resistance to the integration process in a single community; the appearance or intensification of direct, independent action, which has been absolutely residual in Catalonian society up until now, with a resurgence of terrorist activities."

In view of this situation, the PSUC proposes giving a new impetus to the plan for a popular Catalonianism: "The PSUC proposal for a government of unity, even though it was just and necessary, is impossible at the present time. Hence, we must put forth a new alternative based on the unity of the left which will make it possible to carry out a program of national reconstruction and progress, and to oppose the conservative Catalonianism of CiU."

#### A Eurocommunist Policy

The final part of the Central Committee's report analyzed the PSUC's strategy and its current status. Beginning with an analysis of the events which had been polarized in connection with the Fifth Congress, and certain subsequent ones, Paco Frutos cited the objective and subjective conditions that had given rise to those events.

The irregular types of work within the PSUC were unquestionably significant, but the economic and social crisis and the difficulties in the process of change, combined with other factors, created "the objective bases for the formation, within the party, of a policy at odds with what had been that of the PSUC historically."

After mentioning various elements of self-criticism of the work done by the Central Committee, both before and after the Fifth Congress, the lack of an effort for

systematic political education, and the lack of determination to uphold the international policy between the Fourth and Fifth Congresses, it considered the confrontation with the PCE during the period prior to the Fifth Congress as a factor for disintegration which has facilitated the endeavor of those who had challenged the PSUC's policy in its very leadership organs.

After vindicating the Fifth Congress, its democratic nature and the desire for criticism and self-criticism among many militants, the outgoing Central Committee's report proceeded to analyze and cite the characteristic features of the PSUC: "The party that we want the PSUC to be, a democratic, class party, open to debate and united in action, is a tool in the service of a Eurocommunist design which dates far back in our political development and which we have established more stringently based on the argument against the dogmatic positions voiced at the Fifth Congress."

#### Agreement on the Debate

The report submitted by Paco Frutos was approved the following day by 837 votes in favor, nine against and 74 abstentions; and the 13 delegations expressed their total agreement with the report, the various remarks concentrating on two issues: the trade union policy and the plan involving popular Catalonianism.

In connection with the trade union topic, the 13 delegations had a positive evaluation for the treatment given to the ANE, stressing the need to give a full explanation of it to the workers. Concretely, the Baix Llobregat delegation cited the need for a greater self-criticism by the party in this regard. The Barcelona delegation, for its part, emphasized the importance of making the workers understand that the ANE allows for the workers' intervention in the economic process. Several speakers underscored the need for action between the UGT [General Union of Workers] and the CCOO [Workers Commissions].

Insofar as the Catalonian policy was concerned, the majority of the speeches focused on the plan for popular Catalonianism. The delegations noted the loss of political influence on the part of the left, and the capitalization on a "folkloric Catalonianism" on the part of the CDC and ERC. The Baix Llobregat delegation emphasized the need to recover the hegemony of the left, something which entailed unity of action with the Socialists.

On the subject of the PSUC's internal affairs, most of the delegations called for party unity concerning the strategy of the PSUC, the Eurocommunist strategy.

#### Remarks by Santiago Carrillo

On the last day, at exactly noon, Santiago Carrillo, secretary general of the PCE, took the floor, conveying the PCE's greetings to the Catalonian Communists, while at the same time voicing gratification at the report of the PSUC's Central Committee and the documents which served as a basis for the congress discussion. He also expressed his happiness at the fact that the PSUC, albeit "through a painful process," had recovered Eurocommunism, also recovering the unity of Spanish Communists.

Santiago Carrillo then noted that it was impossible for the PCE to remain neutral in this entire process. He said that the PSUC is a national and independent party, but that it forms a single whole with the PCE. In this endeavor for recovery of the PSUC, the PCE secretary general underscored the effort made by three personages: Gregorio Lopez Raimundo, Paco Frutos and Antoni Gutierrez Diaz.

He later went on to analyze the current political period, which he described as critical; and, of course, he had some comments relating to the 23-F trial which, on the one hand, shows that democracy is not so weak, but which is certainly a problem, because they are attempting to turn it into a trial of democracy.

With regard to the possibility of early elections, Santiago Carrillo stated that the 23-F trial would have to be finished first, and finished, he specified, with the stringent application of the Code of Military Justice. As for the evidence not yet discovered in this conspiracy against democracy, he said that it could be discovered when there is an authentic government which implements the Constitution and upholds democracy.

He proceeded to analyze the UCD's position at present, and that of other right-wing political forces, attempting to divide the country into Marxists and anti-Marxists, with a view toward the next elections; something which would result in a greater weakening of democracy. He then commented on the mistake made by the PSOE in its attitude toward the PCE, the only reason for which could be to make concessions to the right. "It starts by excluding the PCE, and ends up destroying democracy."

Next, with reference to the National Employment Accord, he described it as a working class policy, remarking that a class policy does not mean that no pacts are made. He evoked applause from the congress members when he declared that if someone does not fulfill the ANE, the Communists would have to go on the offensive; and noted that it was no coincidence that the CEOE is opposed to the ANE, just as it was against the Moncloa Pacts.

Analyzing the autonomous aspect, he cited the joint opposition of the PCE and PSUC to the LOAPA. He claimed that the latter would have to be amended, so that there would not be a violation of Title VIII of the Constitution and of the statutes on autonomy. He drew heavy applause upon stating that there need not be any fear in Madrid of Catalonia's being a nation; noting that this is a feeling which will not be destroyed by force but rather, on the contrary, there is a need for diversity to be recognized in Spain.

He described the Eurocommunist policy as a policy of the left, claiming that the ideas of Marx and the teachers of Marxism are not repudiated when certain criticism is made. He said that we want the youth to feel motivated upon approaching communism. "We are Eurocommunists so as to be more communist."

He mentioned the difficult process being experienced by the PSUC, and was loudly applauded when he stated that the Sixth Congress would bring closer to Eurocommunism many who are not in agreement with it, "because we have not managed to explain it." After claiming that the PSUC would become the PSUC again, the PCE secretary general asserted its importance to Catalonia, Spain and the PCE.

### A Difficult Election

The most controversial aspect of this Sixth Congress developed in connection with the Candidacy Commission, which engaged in an intensive effort until virtually the night of the final day. The lack of agreement among its members regarding the 110 individual names that would be proposed to the plenum to comprise the new Central Committee caused the extension of the congress sessions and the appearance of tension, and in some instances real sharpness among followers of Antoni Gutierrez Diaz and Paco Frutos.

These differences were apparently concentrated on seven of the 110 names proposed. Sectors close to the outgoing secretary general were of the opinion that this upset the equilibrium shown at this congress, and in 30 instances they went so far as to submit their resignation from the new Central Committee. To some congress members closely associated with positions related to the new secretary general, Antoni Gutierrez, the Candidacy Commission's proposal was quite acceptable, and even gave excessive recognition to the influence and representation of sectors close to the former secretary general at this congress.

On the list submitted by the Candidacy Commission to the congress, on which all the names of particular significance in the PSUC at the present time were eventually included, there was only a substitution for Capdevilla, who was replaced by Ana Bosch. The new Central Committee elected Gregorio Lopez Raimundo as chairman and Antoni Gutierrez Diaz as secretary general.

However, the problems appear to remain in connection with the formation of the Executive Committee which will take place most likely next Sunday; although no one precludes the reaching of an agreement in the end, and hence the presence of the former secretary general, Paco Frutos, in this leadership entity.

2909

CSO: 3110/115

## KORVETTE FS 1500 UNDER CONSTRUCTION FOR COLOMBIAN, MALAYSIAN NAVIES

Stuttgart MARINE-RUNDSCHAU in German Mar 82 pp 128, 130, 131, 132

[Article by Harald Fock: "Korvette Type FS 1500 Built By the Howaldtswerke-Deutsche Werft AG"]

[Text] For many years the Howaldtswerke-Deutsche Werft AG, Kiel, a member of the Salzgitter group, has enjoyed an excellent worldwide reputation in specialized civilian shipbuilding of all scales and in the building of submarines. The submarine 209, which was developed in cooperation with the Ingenieurkontor Luebeck (IKL) and supplied to numerous foreign navies in various versions, and which is conventionally driven, is considered an outstanding design with high performance data on an international level. It also resulted in other shipbuilding yards' acquisition of licenses.

However, the continuity of employment of the highly qualified and specialized personnel required for design and operation is a considerable problem in building warships for national and foreign accounts. It is all the more encouraging for the shipyard's employment situation and the city of Kiel that in May of 1980 an agreement was concluded with the Colombian Navy on the construction of four korvettes (construction numbers 175 through 178). In July of 1981 another contract followed for two slightly modified ships of the same type for the Royal Malaysian Navy. Further prospective customers should follow.

The ships, the construction progress of which is in a highly advanced stage (Figure 1), were co-designed with the Marinetchnik Planungsgesellschaft mbH, which also works for the FRG Navy, and are identified as type FS 1500. Figures 2 to 4 show the silhouette, profile, and decks in their standard layout. The main technical data are as follows:

Overall length	Approximately 95.3 m
Waterline length	Approximately 90.0 m
Waterline width	Approximately 11.3 m
Side elevation up to superstructure 01) deck	Approximately 9,0 m

Side elevation up to the through main deck	Approximately 6.4 m
Draught according to design	Approximately 3.4 m
Standard displacement	Approximately 1,500 tons
Displacement in operation	Approximately 1,810 tons

Crew facilities for a crew of 84 to 92.

Weaponry for Colombia:

- 1x76-mm OTO Melara
- 1x40-mm Twin Breda
- ASW Torpedo Tubes MK-32
- 8x "Exocet" MM-40
- 1 light helicopter, including hangar.

Weaponry for Malaysia:

- 1x Creusot Loire 100-mm
- 1x57-mm Bofors
- 2x Emerlec 30-mm Twin
- 4x "Exocet" MM-38
- 1x ASW Bofors Rocket Launcher.

The CODAD engine unit accommodated in two compartments consists of four non-reversible 3,900/4,290-kW-MTU 20V1163TB82 diesel engines which are controlled and operated from a control center and drive two shafts and adjustable propellers via two transmission buses. The contract speed is 27 knots. With one engine/shaft 22 knots are reached. The ship's range is quoted at approximately 7,000 sm/14 knots and 5,700 sm/18 knots, respectively, at cruising speed.

Four 450-kVA diesel generators and one 192-kVA standby diesel generator supply the electrical energy. The former are located in the two drive compartments, the latter in a special area on the main deck.

The FS 1500 korvette's equipment with sensors and effectors is variable, according to the request of the principals. A fire control center by Hollandse Signaalapparaten and one by Thomson CSF has been contracted.

Both versions will be equipped with sonars made by Krupp Atlas Elektronik, Bremen, and with "Dagaie" chaff dispensers.

The main artillery weapon is an alternative between a 76/62 OTO MELARA or a Creusot Loire 100-mm compact gun. As secondary weaponry, weapons ranging from 30-mm Emerlec to 57-mm Bofors will be installed.

The ship will be equipped with either MM-40 or MM-38 "Exocet" missiles.

For submarine combat a Bofors rocket launcher or MK-32 triple torpedo tube will be installed.

The navigational equipment includes the following: a navigational radar, a satellite navigational receiver, an automatic radio direction finder, an echo depth sounder, an electromagnetic log, magnetic and gyro compasses, automatic pilot, etc.

The communication equipment complies with modern standards.

The stern section of the superstructure deck features a heliport with a hangar in front of it and all equipment required for the safety, operation, and maintenance of such aircraft.

The type of helicopter may be determined by the customer within certain limitations as to size and weight.

The entire design makes for a robust multiple-purpose ship. Its equipment and reserves are designed for longer periods of operation at sea, in the same way that the overall design of the 11 watertight compartments of the hull is designed for long life. The stability was based on the requirements of BV 1033 of the FRG Navy. The seaworthiness will be improved by a nonretractable fin-stabilization unit which reaches its maximum efficiency around 18 knots.

All rooms have a mechanical ventilation system. The habitable areas are air-conditioned.

The overall design impresses as remarkably balanced and is definitely geared toward the requirements of smaller navies. The sensor and effector equipment must be seen from this angle. The operational versatility is in accordance with its size--but also with the cost of such a ship. The fact that there are numerous navies interested in this ship, as mentioned earlier, is therefore certainly understandable, particularly with regard to the know-how attributable to the letters HDW which is well known worldwide.

9544  
CSO: 3103/381

MILITARY

FEDERAL REPUBLIC OF GERMANY

BAHR INTERVIEWED ON NEW ARMS EXPORT GUIDELINES

Frankfurt/Main FRANKFURTER RUNDSCHAU in German 22 Mar 82 p 4

Interview with SPD Bundestag Deputy Egon Bahr by FRANKFURTER RUNDSCHAU Bonn correspondent Dirk Cornelsen; date and place not specified

Text The new government guidelines will not apply to warship construction, which accounts for far and away the bulk of FRG arms exports. This was conceded by SPD Bundestag Deputy Egon Bahr in an interview with FRANKFURTER RUNDSCHAU Bonn correspondent Dirk Cornelsen.

FRANKFURTER RUNDSCHAU: Herr Bahr, the SPD parliamentary group recently approved your proposal to its executive committee for new guidelines on arms exports. Why is it that you dropped your panel's plan calling in the future for the government to consult a permanent Bundestag committee before making difficult decisions on approving an arms transaction? Isn't the only element left just the act of providing confidential information in advance to the three parliamentary group chairmen and three experts from these groups?

Bahr: The panel had proposed a small committee for consultation purposes. We added these words: between five and nine people. It's now going to be six -- and the committee is not going to consult, it's going to advise. If my Latin doesn't fail me completely, the German translation of "Konsultation" is the giving of advice. So I fail to see the difference in principle when it comes to a committee that meets -- prior to decisions that the FRG Security Council has to make -- to advise the government on this individual decision.

Question Then that would go farther than the advance information that we have heard about so far?

Answer If the government informs this committee, then you can imagine, can't you, that the three parliamentary group chairmen will not just sit there silently, taking in the information without expressing any opinions. That's what advising is.

Question Hitherto, a ban has been in effect on delivering weapons of war to an area of tension. You have now labeled this concept unsuitable and proposed instead that exceptions be made to allow the delivery of these weapons to countries outside NATO, and to equivalent states if "vital foreign- and security-policy interests of

the Federal Republic" require it, and if the internal situation in the country in question does not stand in the way of the arms delivery. Just what are vital FRG foreign-policy and security-policy interests? Isn't that an elastic, ambiguous concept?

Answer A much more elastic and ambiguous concept is the present criteria for "areas of tension." I'll give you an example: According to the "area of tension" concept, these disputed submarines for Chile could get an unqualified yes. When you take the combination of vital foreign- and security-policy interests and add to it "alliance-policy interests" and consideration of a country's domestic situation, then it's quite clear that this is a narrower definition, and going by such a definition we would no longer approve submarines for Chile.

Question Submarines for Chile -- perhaps not; but couldn't it be assumed that "vital foreign- and security-policy interests" favor the supplying of tanks to Saudi Arabia? After all, the chancellor himself has said that Saudi Arabia is our most important partner outside NATO, and that it's our most important supplier of oil and largest financial backer. On the other hand, under the previously existing guidelines the delivery would not be permissible, for an area of tension is supposed to mean the entire region, isn't it?

Answer That's right, of course. I think the government can continue, when giving reasons for its decisions, to refer to the fact that it does not make deliveries to areas of tension. This would then be added to the new criteria. We worked on this in the light of rumors existing at the time to the effect that Saudi Arabia would be making requests -- something it did not do, by the way. And we considered very carefully whether a positive decision might not have to be made in response to such requests -- for example, for reasons of our security or our foreign policy, and perhaps even our raw materials supply. We came to the conclusion that it would not be in keeping with our foreign- and security-policy interests to deliver such weapons systems to this region or to this country.

Question Another snag is no doubt the matter of so-called special shipbuilding, or the construction of warships in particular. Your panel's report has this to say: "Security policy" considerations require that the production capacities of the Howaldtswerke-Deutsche Werft AG Howaldt Works-German Shipyard, Inc. be maintained. Moreover, it says that the building of warships is of great economic importance to a number of shipyards and can therefore not be bound by these narrow guidelines for arms exports, either now or in the future. Isn't the whole package of new guidelines a waste of time if warship construction -- which accounts for the bulk of our arms exports -- doesn't fall under these strict guidelines?

Answer You're right about the last point: Special ship construction not only accounts for the bulk of our arms exports; it accounts for an outsized share. Please don't hold me to these figures, but one can say that our exports of specialty ships bring us between DM 700 million and DM 800 million, and exports to the Third World of other arms or arms materiel are on the order of 25 or 30 million. That's more than 20 or 25 times as much. At the behest of the FRG Navy, shipyard capacities were constructed that can't be fully used according to the present level of orders from the navy. And now the question is whether the navy has to hold on to technical experts and capacity for reasons of security -- namely, so as not to

become dependent upon subcontractor deliveries from outside. And this is why we came to the conclusion that special ship construction ought to continue to be accorded more liberal treatment.

Question But doesn't this mean that these guidelines don't apply in principle to the building of warships, that they therefore don't apply to the bulk of our arms exports?

Answer This is true for Third World countries as applied to this reduced sector. But that doesn't cancel out the fact that each individual case has to be carefully scrutinized and decided to determine whether we can approve that kind of delivery or not.

Question Why is it that you were against putting together a list of non-NATO countries to whom arms could be supplied but any other exports prohibited?

Answer Our panel was very divided over the matter of a so-called list of countries. I believe there's a difference in whether a country is put on such a list or whether it is taken off. Even if it is put on, the legal situation would not permit deliveries to be made if, for example, a conflict threatened. The list of countries therefore also doesn't provide the opportunity to examine individual cases. There's another point: It is characteristic of governments that they have to preserve their countries' prestige. And this is also why it isn't especially good to publicize such lists of countries.

Question The government -- or the Federal Security Council -- will soon be issuing the new guidelines on the export of arms. Unlike the panels that are studying arms deliveries, the government apparently considers these deliveries permissible if they can allegedly promote the so-called balance in the region. Doesn't that open the door to arms exports? Won't a great many countries -- mainly in the Near East -- consider the balance disrupted by the arming of a hostile neighbor?

Answer I think the region of the Middle and Near East is already so laden with tension -- in the truest sense of the word -- that any delivery there can only heighten the danger to the region. And that doesn't serve our foreign policy interests.

Question But to be specific: What do you think of the "regional balance" criterion that the government intends to take into account in its decisions?

Answer I think it's a criterion that can't be applied, at least not to the Near and Middle East.

Question And just how do things look with co-production? The government apparently assigns primary importance to its interest in cooperating with other countries on weapons production, regardless of whom France or Italy, for example, resells the tanks or combat aircraft to. Doesn't this just circumvent our noble principles anyway?

Answer Here I have to give you an unqualified yes. Anything else would be hypocrisy. The question is, what should the first criterion be? If it's supposed to

be that we force other countries to follow our restrictive policy, that would lead to a rejection of any cooperation at all. I can't force other countries to accept our principles on restrictiveness, not even by refusing cooperation. That's why we have concluded that cooperation can be useful in exceptional cases, when it's in the interest of our alliance policy. And when we conclude new cooperation treaties -- unlike our previous practice -- a government agreement is to guarantee that our viewpoints on arms export policy are brought to bear.

7458

CSO: 3103/384

END

**END OF**

**FICHE**

**DATE FILMED**

May 10, 1982

